



LODI CITY COUNCIL

Carnegie Forum
305 West Pine Street, Lodi

AGENDA – REGULAR MEETING

Date: May 1, 2019

Time: Closed Session 5:30 p.m.
Regular Meeting 7:00 p.m.

*and via conference call:
1311 Midvale Road
Lodi, CA 95240

For information regarding this Agenda please contact:

Jennifer M. Ferraiolo
City Clerk
Telephone: (209) 333-6702

6:55 p.m. Invocation/Call to Civic Responsibility. Invocations/Calls may be offered by any of the various religious and non-religious organizations within and around the City of Lodi. These are voluntary offerings of private citizens, to and for the benefit of the Council. The views or beliefs expressed by the Speaker have not been previously reviewed or approved by the Council, and the Council does not endorse the beliefs or views of any speaker.

C-1 Call to Order / Roll Call

C-2 Announcement of Closed Session

- a) Conference with Adele Post, Human Resources Manager, and Andrew Keys, Deputy City Manager (Labor Negotiators), Regarding Fire Mid-Management, International Brotherhood of Electrical Workers, Lodi Police Dispatchers Association, Police Officers Association of Lodi, and Police Mid-Management Pursuant to Government Code §54957.6 (CM)
- b) Conference with Legal Counsel – Anticipated Litigation: Significant Exposure to Litigation Pursuant to Government Code Sections 54956.9(d)(2) and 54956.9(e)(1); One Case; Shall Not be Disclosed Due to Facts and Circumstances Not Yet Known to Potential Plaintiffs (CA)

C-3 Adjourn to Closed Session

NOTE: THE FOLLOWING ITEMS WILL COMMENCE NO SOONER THAN 7:00 P.M.

C-4 Return to Open Session / Disclosure of Action

A. Call to Order / Roll Call

B. Presentations

- B-1 National Police Week Proclamation (PD)
- B-2 ZinFEST Proclamation (CLK)
- B-3 Bike Month and Bike to Work Day Proclamation (PW)

C. Consent Calendar (Reading; Comments by the Public; Council Action)

- C-1 Receive Register of Claims for March 1, 2019 through April 11, 2019 in the Amount of \$8,855,854.53 (FIN)
- C-2 Approve Minutes (CLK)
 - a) April 16, 2019 (Shirtsleeve Session)
 - b) April 17, 2019 (Regular Meeting)
- C-3 Approve Specifications and Authorize Advertisement for Bids for 2019-2021 Standby Generator Maintenance, Repair, and Rental Contract (PW)
- C-4 Approve Plans and Specifications and Authorize Advertisement for Bids for Citywide Bike Lane Improvement Project (PW)
- Res. C-5 Adopt Resolution Authorizing City Manager to Execute Amendment No. 1 to Professional Services Agreement with Siegfried Engineering, Inc., of Stockton, for Lodi Station Parking Garage Elevator Shaft Assessment and Repair Project (PW)
- Res. C-6 Adopt Resolution Accepting Luca Place Subdivision, Tract No. 3622, Public Improvements (PW)
- Res. C-7 Adopt Resolution Accepting San Joaquin Continuum of Care Homeless Emergency Aid Program Grant and Appropriating Funds (\$1,250,000) (CD)

- Res. C-8 Adopt Resolution Authorizing City Manager to Execute Funding Documents with California Department of Transportation for Allocation of Fiscal Year 2018/19 Low Carbon Transit Operations Program Funds (PW)
- Res. C-9 Adopt Resolution Appropriating \$30,000 for Various Recreation Facility Repairs (PRCS)
- C-10 Post for Vacancy on the Lodi Senior Citizens Commission (CLK)
- Res. C-11 Adopt Resolution Declaring Intention to Annex Territory (Vineyard Terrace Subdivision) to Community Facilities District No. 2007-1 (Public Services) and to Levy a Special Tax to Pay for Certain Public Services (Annexation No. 8); and Setting Public Hearing for June 19, 2019 (PW)
- C-12 Set Public Hearing for May 15, 2019 to Consider Adopting Resolution Approving Planning Commission's Recommendation to Authorize Nine Low-Density Residential Growth Management Allocations for the Bennett – Iris Drive Subdivision (CD)

D. Comments by the Public on Non-Agenda Items

THE TIME ALLOWED PER NON-AGENDA ITEM FOR COMMENTS MADE BY THE PUBLIC IS LIMITED TO FIVE MINUTES.

Public comment may only be made on matters within the Lodi City Council's jurisdiction (Government Code Section 54954.3, Lodi City Council Protocol Manual Section 6.3I). The Council cannot take action or deliberate on items that are not on this agenda unless there is an emergency and the need to take action on that emergency arose after this agenda was posted (Government Code Section 54954.2(b)(2)). All other items may only be referred for review to staff or placement on a future Council agenda.

E. Comments by the City Council Members on Non-Agenda Items

F. Comments by the City Manager on Non-Agenda Items

G. Public Hearings

- Res. G-1 Public Hearing to Consider Adopting Resolution Approving Final 2019-23 Consolidated Plan and 2019-20 Annual Action Plan for Community Development Block Grant Program (CD)

H. Regular Calendar

- H-1 Receive and File the Agreed-Upon Procedures Applying to Internal Controls Over the City's Procurement (for Period July 1, 2017 through September 30, 2018) by The Pun Group (CM)
- Res. H-2 Adopt Resolution Approving Incentive Pay for Licensed Land Surveyor and Designation of City Land Surveyor (CM)

I. Ordinances – None

J. Adjournment

Pursuant to Section 54954.2(a) of the Government Code of the State of California, this agenda was posted at least 72 hours in advance of the scheduled meeting at a public place freely accessible to the public 24 hours a day.

Jennifer M. Ferraiolo
City Clerk

All staff reports or other written documentation relating to each item of business referred to on the agenda are on file in the Office of the City Clerk, located at 221 W. Pine Street, Lodi, and are available for public inspection. If requested, the agenda shall be made available in appropriate alternative formats to persons with a disability, as required by Section 202 of the Americans with Disabilities Act of 1990 (42 U.S.C. Sec. 12132), and the federal rules and regulations adopted in implementation thereof. To make a request for disability-related modification or accommodation contact the City Clerk's Office as soon as possible and at least 72 hours prior to the meeting date. Language interpreter requests must be received at least 72 hours in advance of the meeting to help ensure availability. Contact Jennifer M. Ferraiolo at (209) 333-6702. Solicitudes de interpretación de idiomas deben ser recibidas por lo menos con 72 horas de anticipación a la reunión para ayudar a asegurar la disponibilidad. Llame a Jennifer M. Ferraiolo (209) 333-6702.

Meetings of the Lodi City Council are telecast on SJTV, Channel 26. The City of Lodi provides live and archived webcasts of regular City Council meetings. The webcasts can be found on the City's website at www.lodi.gov by clicking the meeting webcasts link.



CITY OF LODI COUNCIL COMMUNICATION

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AGENDA TITLE: Presentation of Proclamation Proclaiming the Week of May 12-18, 2019, as “National Police Week”

MEETING DATE: May 1, 2019

PREPARED BY: Chief of Police

RECOMMENDED ACTION: Presentation of proclamation proclaiming the week of May 12-18, 2019, as “National Police Week.”

BACKGROUND INFORMATION: In 1962, President John F. Kennedy signed a proclamation that designated May 15th as Peace Officers Memorial Day and the week in which that date falls as Police Week.

National Police Week honors the service and sacrifice of those law enforcement officers killed in the line of duty and the approximately 900,000 active law enforcement officers protecting our communities and safeguarding our democracy across America. Since the first known line-of-duty death in 1786, more than 21,000 U.S. law enforcement officers have made the ultimate sacrifice, the names of these dedicated public servants are engraved on the walls of the National Law Enforcement Officers Memorial in Washington, D.C. This includes one of our own dedicated sworn members of the Lodi Police Department, Motor Officer Rick Charles Cromwell. Officer Cromwell died as a result of a motorcycle collision that occurred on Kettleman Lane while on-duty on Dec. 9, 1998. This year will be the 20-year anniversary of the addition of his name on the National Memorial.

The Lodi Police Department currently has 52 sworn Police Officers/Trainees, six Corporals, nine Sergeants, five Lieutenants, two Captains, and the Chief of Police. These 75 sworn personnel work diligently to leverage available resources and partnerships to enhance their ability to provide top quality service, they build and strengthen relationships with citizens to effectively address crime and social issues in the City of Lodi.

The City of Lodi depends on these men and women to protect and serve our community every day. We depend on them for direction and assistance in our most distressed and terror-stricken moments.

The Police Department requests the City Council proclaim May 12-18, 2019 as “Police Week” and publicly salute the service of Officer Cromwell, law enforcement officers in our community and in communities across the nation.

FISCAL IMPACT: Not applicable.

FUNDING AVAILABLE: Not applicable.

Tod Patterson
Chief of Police

APPROVED: _____
Stephen Schwabauer, City Manager



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CITY OF LODI COUNCIL COMMUNICATION

AGENDA TITLE: ZinFEST Proclamation

MEETING DATE: May 1, 2019

PREPARED BY: City Clerk

RECOMMENDED ACTION: Mayor Pro Tempore Kuehne will present a proclamation in recognition of ZinFest.

BACKGROUND INFORMATION: The City has been requested to present a proclamation in recognition of the 15th annual ZinFEST, which will be held May 17 through 19, 2019, at Lodi Lake.

FISCAL IMPACT: Not applicable.

FUNDING AVAILABLE: Not applicable.

Jennifer M. Ferraiolo
City Clerk

JMF/PMF

APPROVED: _____
Stephen Schwabauer, City Manager



TM

CITY OF LODI COUNCIL COMMUNICATION

AGENDA TITLE: Presentation of Proclamation Proclaiming May as “Bike Month” and May 17, 2019 as “Bike to Work Day” in Lodi

MEETING DATE: May 1, 2019

PREPARED BY: Public Works Director

RECOMMENDED ACTION: Presentation of proclamation proclaiming May as “Bike Month” and May 17, 2019 as “Bike to Work Day” in Lodi.

BACKGROUND INFORMATION: National Bike Month is a call to action for people across the nation to try bicycling to work and school and for leisure activities, instead of driving. Bicycling improves air quality and rider health, and it reduces congestion on roadways. During the month of May, the City and various employers throughout Lodi will encourage their employees to bike to work.

On May 17, 2019, a community “Bike to Work Day” event will be held at the Lodi All-Veterans Plaza Memorial (221 W. Pine Street) between Carnegie Forum and City Hall from 6:30 a.m. to 8:30 a.m. The event is open to all members of the community. Representatives from Bike Lodi, San Joaquin Council of Governments, San Joaquin Bicycle Coalition, San Joaquin Valley Air Pollution Control District, and Mobile Lodi’s Bike Shop will be present. Free bike safety checks, bike commute information, snacks, coffee, and free handouts will be available.

A representative from Bike Lodi will be present to accept the proclamation.

FISCAL IMPACT: Not applicable.

FUNDING AVAILABLE: Not applicable.

Charles E. Swimley, Jr.
Public Works Director

Prepared by Julia Tyack, Transportation Planner
CES/JMT/tdb

APPROVED: _____
Stephen Schwabauer, City Manager



**CITY OF LODI
COUNCIL COMMUNICATION**

TM

AGENDA TITLE: Receive Register of Claims for March 1, 2019 through April 11, 2019 in the Total Amount of \$8,855,854.53

MEETING DATE: May 1, 2019

PREPARED BY: Internal Services Director

RECOMMENDED ACTION: Receive the attached Register of Claims for \$8,855,854.53.

BACKGROUND INFORMATION: Attached is the Register of Claims in the amount of \$8,855,854.53 for March 1, 2019 through December 11, 2019. Also attached is Payroll in the amount of \$1,410,023.91 through March 10, 2019, \$1,407,972.90 through March 24, 2019 and \$1,514,462.35 through April 7, 2019. This report covers three pay periods and six weeks of claims.

FISCAL IMPACT: Not applicable.

FUNDING AVAILABLE: As per attached report.

Andrew Keys
Internal Services Director

APPROVED: _____
Stephen Schwabauer, City Manager

Council Report
City of Lodi, CA - v11.3.16 Live
3/1/2019 through 4/11/2019

Fund	Fund Title	Amount
100	General Fund	\$3,230,055.62
103	Measure L Funds	\$4,792.82
120	Library Fund	\$13,304.64
140	Expendable Trust	\$245,369.72
200	Parks Rec & Cultural Services	\$55,318.05
205	ST Grants	\$2,392.25
213	LPD-Public Safety Program AB1913	\$21,635.01
216	PD Misc Grants	\$21,258.58
270	Comm Dev Special Rev Fund	\$80,007.21
301	Gas Tax-2105 2106 2107	\$21,667.15
303	Measure K Funds	\$1,620.00
304	Gas Tax -2031	\$712.50
305	TDA - Streets	\$14,572.85
306	RTIF County/COG	\$156,849.85
350	H U D	\$365,607.61
431	Capital Outlay/General Fund	\$1,142.57
432	Parks & Rec Capital	\$3,549.79
434	Arts in Public Places-IMF	\$3,250.00
437	IMF-Parks & Rec Facilities	\$3,740.89
500	Electric Utility Fund	\$2,418,021.60
501	Utility Outlay Reserve Fund	\$205,500.63
504	Public Benefits Fund	\$54,976.46
508	Environmental Compliance	\$145,362.00
530	Waste Water Utility Fund	\$164,670.64
531	Waste Wtr Util-Capital Outlay	\$530,053.36
560	Water Utility Fund	\$508,043.52
561	Water Utility-Capital Outlay	\$2,495.96
590	Central Plume	\$29,170.90
591	Southern Plume	\$3,523.95
593	Northern Plume	\$1,829.20
594	South Central Western Plume	\$3,523.95
600	Dial-a-Ride/Transportation	\$207,063.34
601	Transit Capital	\$648.75
650	Internal Service/Equip Maint	\$127,526.30
655	Employee Benefits	\$174,104.72
660	General Liablilites	\$3,962.80
665	Worker's Comp Insurance	\$28,529.34
Total		\$8,855,854.53

Council Report: Payroll
City of Lodi, CA - v11.3.16 Live
Pay Period 3/10/2019

Fund	Description	Amount
100	General Fund	\$841,960.45
120	Library Fund	\$22,891.04
200	Parks Rec & Cultural Services	\$114,323.71
214	LPD-OTS Grants	\$1,569.38
270	Comm Dev Special Rev Fund	\$28,370.01
301	Gas Tax-2105 2106 2107	\$32,401.33
500	Electric Utility Fund	\$184,833.53
530	Waste Water Utility Fund	\$137,232.67
560	Water Utility Fund	\$18,739.71
600	Dial-a-Ride/Transportation	\$7,541.36
650	Internal Service/Equip Maint	\$19,916.47
Report Total		\$1,410,023.91

Council Report: Payroll
City of Lodi, CA - v11.3.16 Live
Pay Period 3/24/2019

Fund	Description	Amount
100	General Fund	\$822,061.81
120	Library Fund	\$20,578.78
200	Parks Rec & Cultural Services	\$101,604.36
214	LPD-OTS Grants	\$5,393.88
219	LPD-ABC Grant	\$3,956.27
270	Comm Dev Special Rev Fund	\$27,972.67
301	Gas Tax-2105 2106 2107	\$34,564.71
500	Electric Utility Fund	\$197,932.58
530	Waste Water Utility Fund	\$140,761.52
560	Water Utility Fund	\$20,324.13
600	Dial-a-Ride/Transportation	\$13,013.90
650	Internal Service/Equip Maint	\$19,564.04
Report Total		\$1,407,972.90

Council Report: Payroll
City of Lodi, CA - v11.3.16 Live
Pay Period 4/7/2019

Fund	Description	Amount
100	General Fund	\$919,986.76
120	Library Fund	\$20,903.16
200	Parks Rec & Cultural Services	\$126,260.40
214	LPD-OTS Grants	\$1,120.60
219	LPD-ABC Grant	\$1,781.49
270	Comm Dev Special Rev Fund	\$28,044.93
301	Gas Tax-2105 2106 2107	\$28,914.76
500	Electric Utility Fund	\$200,553.66
530	Waste Water Utility Fund	\$137,145.27
560	Water Utility Fund	\$20,858.34
600	Dial-a-Ride/Transportation	\$8,836.26
650	Internal Service/Equip Maint	\$19,812.47
Report Total		\$1,514,462.35



**CITY OF LODI
COUNCIL COMMUNICATION**

TM

AGENDA TITLE: Approve Minutes
a) April 16, 2019 (Shirtsleeve Session)
b) April 17, 2019 (Regular Meeting)

MEETING DATE: May 1, 2019

PREPARED BY: City Clerk

RECOMMENDED ACTION: Approve the following minutes as prepared:
a) April 16, 2019 (Shirtsleeve Session)
b) April 17, 2019 (Regular Meeting)

BACKGROUND INFORMATION: Attached are copies of the subject minutes marked Exhibit A and B, respectively.

FISCAL IMPACT: Not applicable.

FUNDING AVAILABLE: Not applicable.

Jennifer M. Ferraiolo
City Clerk

Attachments

APPROVED: _____
Stephen Schwabauer, City Manager

**LODI CITY COUNCIL
SHIRTSLEEVE SESSION
CARNEGIE FORUM, 305 WEST PINE STREET
TUESDAY, APRIL 16, 2019**

A. Roll Call by City Clerk

An Informal Informational Meeting ("Shirtsleeve" Session) of the Lodi City Council was held Tuesday, April 16, 2019, commencing at 7:00 a.m.

Present: Council Member Johnson, Council Member Nakanishi, Mayor Pro Tempore Kuehne, and Mayor Chandler

Absent: Council Member Mounce

Also Present: City Manager Schwabauer, City Attorney Magdich, and City Clerk Ferraiolo

NOTE: Council Member Johnson participated in the meeting via teleconference.

B. Topic(s)

B-1 Receive Information Regarding Statewide Trash Policy (PW)

Public Works Director Charlie Swimley introduced Compliance Engineer Noel Liner who provided a PowerPoint presentation regarding the Statewide Trash Policy. Specific topics of discussion included regulatory background, definition of trash, effective date of policy, compliance tracks, full capture devices, reporting and monitoring requirements, costs, City's selection of Compliance Track 1, other regional cities' compliance tracks, installation of seven high-capacity trash capture systems in the next ten years, cooperation with Vector Control, and next steps.

In response to Council Member Nakanishi, City Manager Schwabauer explained this policy affects land within the jurisdiction of the City of Lodi and the City does not have an obligation to address storm drain issues outside of the City limits unless they were constructed by the City. With regard to the homeless dumping trash into the river, the responsibility depends on where it is being deposited. In the case of the recent concerns near Turner Road and Highway 99, that is Caltrans' jurisdiction. City staff has a second meeting scheduled this week with Caltrans, Assemblymember Cooper, Senator Galgiani, and the Sheriff's office to encourage all parties to take more responsibility for their properties, as well as another meeting with the District Attorney's office to encourage that office to take prosecutions in that area more seriously. Mr. Schwabauer stated there is no State law that cities manage trash that does not go into the storm drain; however, officers who witness littering will issue citations.

Mayor Chandler stated that mosquito and vector control is an important issue to him and questioned if there were methods to have the sumps treated as water goes through. Mr. Liner stated that Mosquito and Vector Control is new to this issue and Lodi is in close contact with the agency. Additionally, Alameda Vector Control has significant training on this subject and will be on-site at the regional training event to provide opinions and advice. The local Mosquito and Vector Control is involved with Lodi's pilot study and will join staff when the catch basin inserts are cleaned and evaluated.

Mayor Pro Tempore Kuehne stated that a quarterly check and evaluation of the high-flow devices in determining whether they should be emptied seems too few over a year's time. Mr. Liner stated that, based on staff's experience, a couple times a year is sufficient, adding that the smaller catch basin inserts would be much more difficult to maintain, especially during leaf season, which is why there should not be too many of those.

In response to Council Member Johnson, Mr. Swimley stated staff has planned for this expenditure over the next 10 years as part of the rate plan for the Proposition 218 process by

allocating \$750,000 each year starting in 2021.

Alex Aliferis commented on street sweeping, stating the sweepers come before the posted time on the east side, sometimes as early as 5:30 or 6:00 am., and suggested the sweepers come later after residents leave for work or run errands because there would be fewer vehicles parked on the street. He stated Lodi has been further impacted by the homeless over the last eight years with trash and litter, yet there are not enough police officers for enforcement. He suggested landlords and residents do their part by sweeping the streets in front of their homes.

In response to Council Member Johnson, Mr. Swimley stated there is only one street sweeper who takes care of the entire City and addresses each part of the City once a month. Council Member Johnson suggested staff review the street sweeping schedule to see if areas less populated with vehicles can be switched with east side neighborhoods in order to schedule the sweeper later in the morning when there are fewer vehicles parked on-street. Mr. Swimley explained there are other factors to consider when making the schedule, such as high versus low traffic activity at certain times during the day, school children going to and from school, and the Waste Management garbage pick-up schedule, but staff will look into it.

C. Comments by Public on Non-Agenda Items

None.

D. Adjournment

No action was taken by the City Council. The meeting was adjourned at 7:41 a.m.

ATTEST:

Jennifer M. Ferraiolo
City Clerk

**LODI CITY COUNCIL
REGULAR CITY COUNCIL MEETING
CARNEGIE FORUM, 305 WEST PINE STREET
WEDNESDAY, APRIL 17, 2019**

C-1 Call to Order / Roll Call

The City Council Closed Session meeting of April 17, 2019, was called to order by Mayor Chandler at 6:03 p.m.

Present: Council Member Johnson, Council Member Mounce, Council Member Nakanishi, Mayor Pro Tempore Kuehne, and Mayor Chandler

Absent: None

Also Present: City Manager Schwabauer, City Attorney Magdich, and City Clerk Ferraiolo

C-2 Announcement of Closed Session

- a) Conference with Adele Post, Human Resources Manager, and Andrew Keys, Deputy City Manager (Labor Negotiators), Regarding Fire Mid-Management, International Brotherhood of Electrical Workers, Lodi Police Dispatchers Association, Police Officers Association of Lodi, and Police Mid-Management Pursuant to Government Code §54957.6 (CM)

C-3 Adjourn to Closed Session

At 6:03 p.m., Mayor Chandler adjourned the meeting to a Closed Session to discuss the above matters. The Closed Session adjourned at 7:03 p.m.

C-4 Return to Open Session / Disclosure of Action

At 7:09 p.m., Mayor Chandler reconvened the City Council meeting, and City Attorney Magdich disclosed the following action.

Item C-2a) was discussion only with no reportable action.

A. Call to Order / Roll Call

The Regular City Council meeting of April 17, 2019, was called to order by Mayor Chandler at 7:09 p.m.

Present: Council Member Johnson, Council Member Mounce, Council Member Nakanishi, Mayor Pro Tempore Kuehne, and Mayor Chandler

Absent: None

Also Present: City Manager Schwabauer, City Attorney Magdich, and City Clerk Ferraiolo

B. Presentations

B-1 Quarterly Update from Greater Lodi Area Youth Commission (PRCS)

Greater Lodi Area Youth Commissioners Jasmine Shukla and Emma Colarossi provided a quarterly report on the activities of the Commission, including the Pig Skin Fall Formal dance, canned food drive for the Lodi Salvation Army, and Casino Night.

B-2 Friends of the Lodi Public Library Month Proclamation (LIB)

Mayor Chandler presented a proclamation to Becky Hamner, President of the Friends of the Lodi Public Library, proclaiming April 2019 as Friends of the Lodi Public Library Month in Lodi.

Ms. Hamner introduced members of the board who were present and stated the group has donated over \$70,000 in the last few years.

B-3 Sexual Assault Awareness Month Proclamation (CLK)

Mayor Chandler presented a proclamation to Melissa Amos, Women's Center Youth Shelter Manager, proclaiming April 2019 as Sexual Assault Awareness Month in the City of Lodi. Ms. Amos invited the public to join in National Denim Day on April 24, 2019, to show support for victims and encouraged anyone interested in learning more to visit the Women's Center website at www.womenscenteryfs.org.

C. Consent Calendar (Reading; Comments by the Public; Council Action)

Mayor Pro Tempore Kuehne made a motion, second by Council Member Mounce, to approve the following items hereinafter set forth, **except those otherwise noted**, in accordance with the report and recommendation of the City Manager.

VOTE:

The above motion carried by the following vote:

Ayes: Council Member Johnson, Council Member Mounce, Council Member Nakanishi, Mayor Pro Tempore Kuehne, and Mayor Chandler

Noes: None

Absent: None

C-1 Approve Minutes (CLK)

The minutes of March 6, 2019 (Regular Meeting), March 12, 2019 (Shirtsleeve Session), March 12, 2019 (Special Meeting), March 19, 2019 (Shirtsleeve Session), March 20, 2019 (Regular Meeting), March 26, 2019 (Shirtsleeve Session), April 2, 2019 (Shirtsleeve Session), April 3, 2019 (Regular Meeting), and April 9, 2019 (Shirtsleeve Session) were approved as written.

C-2 Approve Plans and Specifications and Authorize Advertisement for Bids for Fire Station No. 1 Kitchen Remodel Project (PW)

Approved plans and specifications and authorized advertisement for bids for Fire Station No. 1 Kitchen Remodel Project.

C-3 Approve Specifications and Authorize Advertisement for Bids for 2019 Pavement Resurfacing Project (PW)

Approved specifications and authorized advertisement for bids for 2019 Pavement Resurfacing Project.

C-4 Approve Specifications and Authorize Advertisement for Bids to Upgrade Existing Facilities at McLane Substation (EU)

Approved specifications and authorized advertisement for bids to upgrade existing facilities at McLane Substation.

C-5 Adopt Resolution Accepting Donation of \$8,596.31 from Lodi Public Library Foundation for Improved Internet Connectivity and Appropriating Funds (LIB)

Adopted Resolution No. 2019-45 accepting donation of \$8,596.31 from Lodi Public Library Foundation for improved internet connectivity and appropriating funds.

C-6 Adopt Resolution Accepting Additional Grant (\$59,888) from California State Library for Adult Literacy Program at Lodi Public Library and Appropriating Funds (LIB)

Adopted Resolution No. 2019-46 accepting additional grant in the amount of \$59,888 from California State Library for Adult Literacy Program at Lodi Public Library and appropriating funds.

C-7 Adopt Resolution Authorizing City Manager to Waive Bid Process and Purchase Eight Rectangular Rapid Flashing Beacons from Traffic and Parking Control Company, Inc. of Brown Deer, Wisconsin, Utilizing California Multiple Award Schedule Contract No. 4-08-78-0042A (\$22,787) and Appropriating Funds (\$22,787) (PW)

Adopted Resolution No. 2019-47 authorizing the City Manager to waive bid process and purchase eight rectangular rapid flashing beacons from Traffic and Parking Control Company, Inc., of Brown Deer, Wisconsin, utilizing California Multiple Award Schedule Contract No. 4-08-78-0042A, in the amount of \$22,787, and appropriating funds in the amount of \$22,787.

C-8 Adopt Resolution Authorizing Purchase of Three Sodium Hypochlorite Generator Cells from PSI Water Technologies, Inc., of Campbell, for On-Site Sodium Hypochlorite Generation at Surface Water Treatment Facility (\$32,703) (PW)

Adopted Resolution No. 2019-48 authorizing the purchase of three sodium hypochlorite generator cells from PSI Water Technologies, Inc., of Campbell, for on-site sodium hypochlorite generation at Surface Water Treatment Facility, in the amount of \$32,703.

C-9 Adopt Resolution Authorizing City Manager to Purchase Service Desk Plus Software License from Zoho Corporation, of Pleasanton, for Operation of Information Technology Help Desk Ticket Tracking System (\$28,480.50) (CM)

Adopted Resolution No. 2019-49 authorizing the City Manager to purchase Service Desk Plus Software License from Zoho Corporation, of Pleasanton, for operation of Information Technology Help Desk Ticket Tracking System, in the amount of \$28,480.50.

C-10 Adopt Resolution Authorizing City Manager to Purchase Microsoft Exchange Server License 2019 from SHI, Inc., of Somerset, New Jersey, to Upgrade City's Email Services (\$49,357.32) (CM)

Adopted Resolution No. 2019-50 authorizing the City Manager to purchase Microsoft Exchange Server License 2019 from SHI, Inc., of Somerset, New Jersey, to upgrade City's email services, in the amount of \$49,357.32.

C-11 Adopt Resolution Authorizing City Manager to Execute Service Contract with ConvergeOne, of Bloomington, Minnesota, for Support of City's Phone System and Voicemail Systems (Not to Exceed \$32,969.30) and Rescinding Resolution No. 2019-29 Authorizing City Manager to Execute Professional Services Agreement with Advantel Networks, of San Jose (CM)

Adopted Resolution No. 2019-51 authorizing the City Manager to execute service contract with ConvergeOne, of Bloomington, Minnesota, for support of City's phone system and voicemail systems, in an amount not to exceed \$32,969.30, and rescinding Resolution No. 2019-29 authorizing the City Manager to execute Professional Services Agreement with Advantel Networks, of San Jose.

C-12 Adopt Resolution Authorizing City Manager to Execute Service Contract with Eaton Corporation, of Cleveland, Ohio, for Support of City's Datacenter Uninterrupted Power Supply (Not to Exceed \$30,276.29) (CM)

Adopted Resolution No. 2019-52 authorizing the City Manager to execute service contract with Eaton Corporation, of Cleveland, Ohio, for support of City's datacenter uninterrupted power supply, in an amount not to exceed \$30,276.29.

C-13 Adopt Resolution Authorizing City Manager to Execute Change Orders to 2018 Pavement Crack Sealing Project (\$30,000) and Appropriating Funds (\$19,000) (PW)

Adopted Resolution No. 2019-53 authorizing the City Manager to execute change orders to 2018 Pavement Crack Sealing Project, in the amount of \$30,000, and appropriating funds, in the amount of \$19,000.

C-14 Adopt Resolution Accepting Luca Place Subdivision, Tract No. 3622, Public Improvements (PW)

This item was pulled from the agenda pursuant to staff's request.

C-15 Adopt Resolution Accepting The Vine at Vintner's Square Subdivision, Unit No. 2, Tract No. 3898, Public Improvements (PW)

Adopted Resolution No. 2019-54 accepting The Vine at Vintner's Square Subdivision, Unit No. 2, Tract No. 3898, Public Improvements.

C-16 Adopt Resolution Authorizing City Manager to Execute Professional Services Agreement with O'Dell Engineering, Inc., of Modesto, for On-Call Landscape Architectural Services (\$100,000) (PW)

Adopted Resolution No. 2019-55 authorizing the City Manager to execute Professional Services Agreement with O'Dell Engineering, Inc., of Modesto, for on-call landscape architectural services, in the amount of \$100,000.

C-17 Adopt Resolution Authorizing City Manager to Execute Professional Services Agreement with Petralogix Engineering, of Galt, for California Environmental Quality Act and Architectural Compliance Services for Lodi Police Training Facility (\$91,850) (PW)

Adopted Resolution No. 2019-56 authorizing the City Manager to execute Professional Services Agreement with Petralogix Engineering, of Galt, for California Environmental Quality Act and architectural compliance services for Lodi Police Training Facility, in the amount of \$91,850.

C-18 Adopt Resolution Authorizing City Manager to Execute Professional Services Agreement with Civil Hydro Tech, LLC, of Sunnyvale, for Groundwater Program and PCE/TCE Plume Management (\$141,700) and Appropriating Funds (\$141,700) (PW)

Adopted Resolution No. 2019-57 authorizing the City Manager to execute Professional Services Agreement with Civil Hydro Tech, LLC, of Sunnyvale, for Groundwater Program and PCE/TCE Plume Management, in the amount of \$141,700 and appropriating funds in the amount of \$141,700.

C-19 Adopt Resolution Authorizing City Manager to Execute Professional Services Agreement with Raney Planning and Management, Inc., of Sacramento, for Preparation of Environmental Impact Report and Planning Services and Conduct Sphere of Influence and Municipal Services Review Update for Proposed Perrin Ranch Project (CD)

This item was removed from the Consent Calendar at the request of Council Member Mounce in order to vote on the matter separately.

Mayor Pro Tempore Kuehne made a motion, second by Council Member Nakanishi, to adopt Resolution No. 2019-62 authorizing the City Manager to execute Professional Services Agreement with Raney Planning and Management, Inc., of Sacramento, for preparation of Environmental Impact Report and planning services and conduct Sphere of Influence and Municipal Services Review Update for Proposed Perrin Ranch Project.

VOTE:

The above motion carried by the following vote:

Ayes: Council Member Johnson, Council Member Nakanishi, Mayor Pro Tempore Kuehne, and Mayor Chandler

Noes: Council Member Mounce
Absent: None

C-20 Adopt Resolution Appropriating Funds for Lodi Station Parking Garage North Elevator Repair Project (\$155,486) (PW)

Adopted Resolution No. 2019-58 appropriating funds for Lodi Station Parking Garage North Elevator Repair Project, in the amount of \$155,486.

C-21 Adopt Resolution Approving 2019/2020 Citywide Pavement Repair Project for Road Repair and Accountability Act of 2017 Funding (PW)

Adopted Resolution No. 2019-59 approving 2019/2020 Citywide Pavement Repair Project for Road Repair and Accountability Act of 2017 Funding.

C-22 Adopt Resolution Approving Updated Records Management Program Manual and Authorizing Destruction of Certain Citywide Records in Accordance with the Government Code and the City's Records Management Policy (CLK)

Adopted Resolution No. 2019-60 approving updated Records Management Program Manual and authorizing destruction of certain Citywide records in accordance with the Government Code and the City's Records Management Policy.

C-23 Authorize City Attorney to Issue "Comfort Letter" to Owner Thomas H. Babcock, Trustee of James S. Babcock Living Trust, in Connection with Prospective Sale of Real Property Located at 712 West Lodi Avenue (CA)

Council Member Nakanishi requested clarification on the purpose of a comfort letter, to which City Attorney Magdich responded that properties overlying the water plumes over the PCE/TCE contamination often seek comfort letters as an assurance that the City is not pursuing litigation against them for PCE/TCE clean up; however, it does not preclude property owners from being responsible for contamination caused by other means or by future property owners.

Authorized the City Attorney to issue "Comfort Letter" to owner Thomas H. Babcock, Trustee of James S. Babcock Living Trust, in connection with prospective sale of real property located at 712 West Lodi Avenue.

C-24 Post for Expiring Terms on Library Board of Trustees, Lodi Arts Commission, and Planning Commission (CLK)

Directed City Clerk to post for expiring terms on Library Board of Trustees, Lodi Arts Commission, and Planning Commission.

C-25 Adopt Resolution Authorizing City Manager to Waive Bid Process, Utilize GSA Contract No. GS-07F-0199T, and Approving Purchase of Toyota Internal Combustion Forklift from Atlanta Forklifts, Inc., of Scottdale, Georgia (\$89,271) (EU)

Adopted Resolution No. 2019-61 authorizing the City Manager to waive bid process, utilize GSA Contract No. GS-07F-0199T, and approve purchase of Toyota internal combustion forklift from Atlanta Forklifts, Inc., of Scottdale, Georgia, in the amount of \$89,271.

C-26 Set Public Hearing for May 1, 2019, to Consider Adopting Resolution Approving Final 2019-2023 Consolidated Plan and 2019-2020 Annual Action Plan for Community Development Block Grant Program (CD)

Set public hearing for May 1, 2019, to consider adopting resolution approving final 2019-2023 Consolidated Plan and 2019-2020 Annual Action Plan for Community Development Block Grant Program.

D. Comments by the Public on Non-Agenda Items

THE TIME ALLOWED PER NON-AGENDA ITEM FOR COMMENTS MADE BY THE PUBLIC IS LIMITED TO FIVE MINUTES.

Public comment may only be made on matters within the Lodi City Council's jurisdiction (Government Code Section 54954.3, Lodi City Council Protocol Manual Section 6.3I). The Council cannot take action or deliberate on items that are not on this agenda unless there is an emergency and the need to take action on that emergency arose after this agenda was posted (Government Code Section 54954.2(b)(2)). All other items may only be referred for review to staff or placement on a future Council agenda.

Mike Stokes, representing the Lodi Boys and Girls Club, thanked the City of Lodi and citizens for its continued support of the Club, which continues to struggle but has received support through major fundraising efforts. He stated the Boys and Girls Club has great employees and programs and provides amazing experiences for the youth of this community.

Amanda Lee, member of the public, showed photographs of guns and ammunition found at the homeless encampment by the river near Highway 99. She stated she hosted members of the San Joaquin County Board of Supervisors, District Attorney's Office, Caltrans, Public Works and Police Departments, San Joaquin County Sheriff's Office, and California Highway Patrol (CHP) to view the situation along the river. Ms. Lee questioned what the City's responsibility is in responding to inquiries and complaints about the health and safety of drinking water and illegal activities occurring along the river. She expressed fear of the guns, potential meth labs, and illegally parked trailers in the area, as well as chemicals and human waste being dumped into the river and that nothing is being done to address the problem because of jurisdictional issues. She demanded that immediate action be taken before someone is hurt and urged the various agencies to ensure that the laws are enforced. Ms. Lee referenced Penal Code 373a that sets forth penalties for lack of abating nuisances and stressed that the District Attorney should prosecute everyone who is guilty until the nuisance is abated and removed. She stated no agency is above the law and the neighbors are prepared to take this matter to court if necessary.

City Manager Schwabauer reported that staff held a second meeting with local officials, including Senator Galgiani and Assemblyman Cooper's offices, Caltrans, and CHP to further push them toward addressing the situation and to tour areas along Awani Drive to explore solutions. Caltrans presented a preliminary fencing plan to secure the area, and both Senator Galgiani and Assemblymember Cooper expressed support for an emergency declaration to move this project along quicker. The District Attorney's Office will be added to future meetings going forward.

E. Comments by the City Council Members on Non-Agenda Items

Council Member Nakanishi announced that Council will hold a Shirtsleeve Session next week to discuss the Sustainable Groundwater Management Act, during which the Public Works Director will give a report on the progress to date. He stated the Eastern San Joaquin Groundwater Authority is on track to complete the study by 2020.

Council Member Mounce commented on the situation with the homeless encampments along the river, stating that a number of pieces of legislation, starting with AB109, have driven people to live on the streets and they have no regard for safety and how they treat precious resources. She expressed frustration that leaders are not acting on this and stated that jurisdictional arguments are not an excuse and meetings with other groups is not a solution. She reported that a Lodi native was killed in a carjacking in Washington by drug-addicted criminals and stated that, if this problem continues to be ignored, the same situation will happen in Lodi. She urged Ms. Lee and her neighbors to continue bringing this matter forward and demanding that something be done. Council Member Mounce reported she will be attending the League of California Cities Legislative Action Days in Sacramento and will meet with Senator Galgiani and Assemblymember Cooper to further discuss this situation. Further, she thanked the Parks, Recreation, and Cultural Services Department for a wonderful Arbor Day celebration at Hale Park and thanked the City Manager for his touching comments in recognition of the life that was recently taken at Hale Park. Lastly, Council Member Mounce asked staff to further research whether any penalties can be assessed on Caltrans as Ms. Lee suggested.

Mayor Pro Tempore Kuehne reported on: 1) his attendance at the Bluegrass Festival where he served as a judge; 2) attendance at the meeting referenced earlier by the City Manager regarding the area along the river by Highway 99, during which the City suggested an even more secure fencing option to provide greater security from the bridge and the group discussed a unified plan for the entire County to provide better policing; and 3) attendance at a preparation meeting for the San Joaquin Council of Governments One Voice trip to Washington D.C., at which he will lobby for funding of the Harney Lane overpass.

Mayor Chandler reported on his attendance at the Lodi City Employees Association recognition dinner where employees were recognized for their hard work and service, as well as the 6th annual Love Lodi event, for which he recognized Pastor Glen Barnes and the faith community for sponsoring such an event. Lastly, he stated Lodi's sister city, Kofu, Japan, celebrated its 500th anniversary and reported that he, Mayor Pro Tempore Kuehne, Council Member Nakanishi, and the President of the Lodi Sister City Committee traveled to Kofu to join the celebration. Kofu government officials treated the group very graciously, and it was a memorable experience. Mayor Chandler shared some of the photographs taken during the trip (filed).

Mayor Pro Tempore Kuehne added there was a lot of pomp and circumstance and a packed schedule every day, but it was one of the highlights of his life.

Council Member Nakanishi pointed out the City spent no money on this trip.

F. Comments by the City Manager on Non-Agenda Items

City Manager Schwabauer reported that the Lodi Police Department has been very active in dealing with the situation along the river, including towing the trailer that was mentioned at the last meeting.

In response to Council Member Nakanishi, Mr. Schwabauer stated there are a number of camper vehicles that park throughout town that are not supported by the structure that funds towing of normal vehicles. Normal vehicle tows have value in either salvage or resale; however, motor homes used by the homeless have no salvage value whatsoever. No one will accept those, so they must be destroyed. The City negotiated an agreement with some of the towing companies to tow vehicles for \$1,000 each and destroy them.

G. Public Hearings

G-1 Public Hearing to Consider Adopting Resolution Approving Draft 2019-2023 Consolidated Plan and 2019-2020 Annual Action Plan for Community Development Block Grant Program (CD)

Notice thereof having been published according to law, an affidavit of which publication is on file in the office of the City Clerk, Mayor Chandler called for the public hearing to consider adopting resolution approving draft 2019-2023 Consolidated Plan and 2019-2020 Annual Action Plan for Community Development Block Grant (CDBG) Program.

CDBG Program Administrator Patrice Clemons provided a PowerPoint presentation regarding CDBG Consolidated Plan for 2019-2023 and 2019-20 Annual Action Plan. Specific topics of discussion included CDBG purpose, Consolidated Plan process, Consolidated Plan sections, priority needs, goals, outreach, inclusion of Annual Action Plan with program year's budget and projects, unknown Housing and Urban Development (HUD) allocations for 2019-20, projects and allocations, submittal of Annual Action Plan, and recommended action.

Council Member Johnson questioned whether CDBG money in the future could be directed toward homeless issues, similar to the tent city built in Sacramento. He recognized it does not fit the normal definition of CDBG funds, but addressing homelessness is a prime need. He suggested staff explore the possibility for future CDBG money. City Manager Schwabauer explained there are two tracks for expenditure of CDBG funds: one is for target populations and

the other is for target locations. The homeless are an eligible source as a target population; however, the funds could not be used for policing those areas, only for enriching the prospects for that population.

Council Member Mounce stated CDBG funds were meant to help Latino women with children; that is the core target population. Further, she stated the President plans to eliminate CDBG funding and that the National League of Cities is working to convince his administration that this is an area he should not cut.

Council Member Johnson stated he understands the objective of CDBG funding, but he wonders if an exemption could be granted because the homelessness issue is overwhelming the country.

Council Member Mounce stated that, until there is more home ownership in the area, the east side will not change. She stated the money should be designated to build homes for Latinos on the east side. Further, Council Member Mounce expressed opposition to setting aside CDBG funds for the Tiny House Project and does not want these homes located within the CDBG target area. Mr. Schwabauer stated the Tiny Homes Project does not have to go in the target areas. He stated that 16 locations will be presented to the Committee on Homelessness, after which it will come to Council for decision. He added that, because CDBG funding can be used to ameliorate the homeless program, it can be used toward the Tiny House Project.

Council Member Nakanishi suggested that, if the City receives CDBG funds next year, it not include the Tiny House Project or anything related to the HEAP grant because of Council concerns.

Mayor Chandler opened the public hearing for public comment.

An unidentified member of the public questioned why the Blakely Park bathroom project is so expensive.

Parks, Recreation, and Cultural Services Director Jeff Hood stated the bathroom is a prefabricated structure manufactured offsite and the project includes preparing the site, connecting to sewer, water, and electrical systems, and includes an area for storage for Park staff. There is a strong need for a restroom in the park, particularly since the City received a grant to redo the ball fields and swimming area and is applying for a grant for additional improvements.

Sharon Gillies, representing California Human Development, thanked the City for designating funds toward expanding the immigration program, on which she provided information (filed). The organization, which has helped many people in Lodi, provides citizenship services and helps people find a legal pathway to citizenship. Further, she requested that immigration be added to the list of community services because there is definitely a need for it in Lodi.

Mayor Pro Tempore Kuehne thanked Ms. Gillies for sharing information regarding this service and stated he supports it because it is a worthwhile cause. Further, he stated he supports all of the recommendations presented, some of which are typically included in the grant and some that are new.

In response to Council Member Mounce, Ms. Clemons explained this action is to approve the draft five-year plan and draft plan for next year. The public hearing will be on Council's May 1, 2019, agenda to approve the final plan and allocation.

Amanda Lee, member of the public, expressed opposition to using CDBG money for the Tiny House Project because it will add more violence and crime on the east side and expressed support for immigration services because it helps improve lives. Further, she stated there needs to be greater public education efforts on how transitional housing works and overcoming the stigma that comes with that type of housing.

There being no further public comments, Mayor Chandler closed the public hearing.

Council Member Mounce stated she will vote in favor of the recommendation, but added she will continue to fight to keep as much CDBG funding on the east side where it will most help the target population.

Mayor Pro Tempore Kuehne made a motion, second by Council Member Johnson, to adopt Resolution No. 2019-63 approving draft 2019-2023 Consolidated Plan and 2019-2020 Annual Action Plan for Community Development Block Grant Program.

VOTE:

The above motion carried by the following vote:

Ayes: Council Member Johnson, Council Member Mounce, Council Member Nakanishi, Mayor Pro Tempore Kuehne, and Mayor Chandler

Noes: None

Absent: None

G-2 Public Hearing to Consider Adopting Resolution Approving Community Development Block Grant Annual Action Plan 2018-2019 Amendment No. 2 (CD)

Notice thereof having been published according to law, an affidavit of which publication is on file in the office of the City Clerk, Mayor Chandler called for the public hearing to consider adopting resolution approving Community Development Block Grant (CDBG) Annual Action Plan 2018-2019 Amendment No. 2.

CDBG Program Administrator Patrice Clemons provided a PowerPoint presentation regarding CDBG 2018-19 Annual Action Plan Amendment No. 2. Specific topics of discussion included sources for reallocation, uses of reallocation, public review and comment period, and requested action.

Mayor Chandler opened the public hearing for public comment.

There being no public comments, Mayor Chandler closed the public hearing.

Mayor Pro Tempore Kuehne made a motion, second by Council Member Johnson, to adopt Resolution No. 2019-64 approving Community Development Block Grant Annual Action Plan 2018-2019 Amendment No. 2.

VOTE:

The above motion carried by the following vote:

Ayes: Council Member Johnson, Council Member Mounce, Council Member Nakanishi, Mayor Pro Tempore Kuehne, and Mayor Chandler

Noes: None

Absent: None

RECESS

At 8:37 p.m., Mayor Chandler called for a recess, and the City Council meeting reconvened at 8:40 p.m.

G-3 Public Hearing to Consider Adopting Resolution Authorizing City Manager to Execute Reimbursement Agreement RA-18-01 for Public Improvements Constructed with Lodi Shopping Center (PW)

NOTE: This item is a quasi-judicial hearing and requires disclosure of ex parte communications as set forth in Resolution No. 2006-31.

Notice thereof having been published according to law, an affidavit of which publication is on file in the office of the City Clerk, Mayor Chandler called for the public hearing to consider adopting resolution authorizing the City Manager to execute Reimbursement Agreement RA-18-01 for public improvements constructed with Lodi Shopping Center.

City Attorney Magdich reminded Council that at the February 6, 2019, public hearing on this item, the Frontier Community Builders (FCB) attorney made two arguments that Council asked her to research and provide a response. First was the argument that the application submitted by Daryl Browman with Browman Development Company (BDC) was not timely filed, and the second was in reference to the term "improvements" for the Reimbursement Agreement (RA) before Council. Specific topics of discussion included scarcity of cases interpreting RAs and related statutes; California Attorney General decisions; City Attorney opinions that timeliness in submitting the application requesting reimbursement within one year was satisfied, the preparation of the RA within 60 days was satisfied, and the public hearing being set within 90 days was satisfied; "directory" versus "mandatory" language; reason for delays, including efforts to negotiate disputes between all of the parties and conduct a peer review of the agreement under threat of litigation against the City; no consequences or penalties in the Lodi Municipal Code section relating to time periods; definition of Government Code 66419, which includes language to ensure consistency with the general plan or any applicable specific plan; opinion that as long as BDC improvements were consistent with the general plan, the costs would be subject to the agreement; and overall opinion that FCB's attorney's arguments are not valid. She recommended Council open the public hearing and offer each side 15 minutes to comment.

Mayor Chandler opened the public hearing for public comment.

Daryl Browman with BDC pointed out this issue has been postponed 11 times over the course of the last year and encouraged the Council to make a decision in this matter to finalize the RA. He expressed appreciation to staff for all of its efforts in getting this agreement prepared and answering every question brought up by the parties and their counsel. He stated that staff, the independent peer review, City's counsel, and outside counsel all agree and support the findings in the RA as adequate, appropriate, and consistent with local ordinances. All of those parties also find FCB's claims to be meritless. He requested Council approve the RA.

Steve Herum, representing FCB, stated this particular RA is unique to past RAs because the City is handling it in a different manner and abandoning past practice, which he believes will create chaos in the future because other developers will want the same agreement. Mr. Herum presented a handout (filed) with excerpts from the Lodi Municipal Code relating to timelines and definitions, Government Code relating to definition of "improvement," and court interpretation relating to definition of "improvement." Mr. Herum stated the Lodi Municipal Code gives Council 90 days to make a decision, but it does not extend the time limit. He further discussed the difference between the use of "must" and "shall," stating the code states the hearing "shall" be conducted within 90 days, which should be defined as mandatory; not permissive. He pointed to other Lodi Municipal Code sections that use the word "shall" as mandatory, adding that staff cannot go back and forth on how to interpret the word; it should be utilized the same throughout the code. With regard to the definition of "improvements," Mr. Herum stated that at no meeting or hearing did the City say the Walmart project had to be consistent with the general plan, which goes against the City Attorney's argument about the Government Code's reference to compliance with a general plan or specific plan. Mr. Herum urged Council not to rely on staff's opinion and review the Government Code section definition of "improvement" for itself.

Tom Doucette with FCB stated that, over the last 30 years, his company has applied for RAs on improvements built in town and has never objected to paying its fair share of the costs, and no other property owner has opposed costs allocated to them. With this RA, the issue is overhead, administration of the project, and incidental expenses, which should be covered by the 10 percent allowance. The purpose is to eliminate the argument and for the developer to itemize costs for the City to determine if they are adequate or overstated. Lodi, in the past, has not allowed itemization of indirect costs. This agreement has overhead charges, as well as applies the 10 percent reimbursement, which he believes is double-dipping. Mr. Doucette added that FCB disputes the land basin charge as well, stating he believes FCB is being allocated three times the actual amount. He stated that he too would like a resolution to this matter and move on.

Steve Herum summarized that the math does not make sense in this RA and referred to the letter from Walmart included in the Council packet that states the performance bond is equal to the cost of improvements. He stated he agrees with Walmart's statement and calculates the total cost to

be paid should be \$3,461,862 based on the performance bond plus 10 percent for overhead and fees. If that number is put into the RA, FCB will be satisfied and will drop any opposition to the RA.

Mayor Pro Tempore Kuehne pointed out that the entire quote from the Walmart letter concludes that the contract price, which is bonded, includes all costs for the improvement, direct and indirect.

Mayor Chandler questioned whether this alternative option was previously presented to Mr. Browman, to which Mr. Herum responded that he believes this formula is correct under the RA ordinance. Mr. Schwabauer pointed out that Mr. Herum's figure of \$3,461,862 is not what he is proposing FCB should pay; rather, he is proposing it is the total number to be allocated among all of the parties.

Matthew Nelson with Gresham, Savage, Nolan, and Tilden, author of the Walmart letter, pointed out that once again Mr. Herum raised issues at the last minute, while Walmart presented its facts and arguments last week for inclusion in the Council packet, thereby giving Council time to review the information prior to making a decision. Mr. Nelson further stated that Mr. Herum's argument on the use of "shall" versus "may" is not valid because all of the examples he provided had consequences or penalties associated with it. With the RA code section, Mr. Herum is applying an argument that if the applicant files timely but Council does not hear the matter within the 90-day timeframe, the applicant should be penalized. Further, in the case of Mr. Herum's argument that the Government Code only reimburses hard costs for improvements, he pointed out that developers would no longer construct anything if all true costs were not reimbursed. The basis of an RA is the first party is ultimately reimbursed, with the latter parties paying for the improvements. Lastly, with regard to the letter referenced by Mr. Herum, Mr. Nelson stated the performance bond is intended to cover the entire project, not for what FCB contends.

Daryl Browman responded to Mr. Herum's alternative solution, stating that taking half of what is legally owed is not an acceptable compromise. He reiterated that staff and every outside expert have agreed that this RA is consistent with other RAs approved in Lodi and stated that all of Mr. Herum's examples of "shall" versus "may" have penalties tied to the actions in the code. He stated BDC made several compromises in this matter at the behest of the City, which reduced the reimbursable amount by \$1 million that legally could have been included in the agreement. He urged Council to consider the fairness issue in this matter, stating the improvements in the RA are conditions that would have been required to build the FCB homes as part of the Gateway North project. If FCB were to build those improvements today, it would be carrying \$6 million of the improvements and it would likely be twice as expensive. Mr. Browman stated that BDC is paying four times as much as FCB for the reimbursements on a per acre basis. He stated the reimbursement is for the amount spent, which includes land acquisition, development of facility, and construction costs. Mr. Browman pointed out that FCB is the only property owner complaining about this agreement. Based on the overwhelming evidence presented by staff and supported by outside engineering and legal consultants, he urged Council to make a final decision on this matter and either approve the RA or not.

Mike Lusk, member of the public, spoke on behalf of Lodi citizens, stating it appears the City may be liable for any difference in costs and he does not want tax payers to subsidize the building industry. He asked Council to take that into consideration when making its decision.

There being no further public comments, Mayor Chandler closed the public hearing.

Ms. Magdich responded to some of the points brought up: 1) issue relating to timeliness was covered by Walmart's attorney; 2) the difference between "directory" and "mandatory" verbiage is that there are consequences and penalties to certain actions, such as misdemeanors or infractions, and the courts are clear that timeframes without consequences tend to be "directory"; and 3) she is relying on case law and attorney general opinions with regard to "improvements" and that it is broadly defined. Mr. Schwabauer added that City plans clearly show drainage and streets are necessary developments. Ms. Magdich continued that Mr. Herum's argument about there being no reference to general plan regulations at prior meetings is not valid because

general plan compliance is required for all City projects and does not need to be articulated. Further, the figure Mr. Herum is relying on does not include the storm water basin retention, which would need to be added if his suggestion is to be considered.

In response to Mayor Pro Tempore Kuehne, Ms. Magdich stated that the use of the word "shall" is mandatory when there are consequences tied to it; however, there are no consequences specified in the applicable Lodi Municipal Code sections relating to the RA. She further stated that Mr. Browman complied with the code by submitting his application within the one-year timeframe, Public Works vetted the application and it was sent back for further work, and the 60- and 90-day timeframes are predicated on a complete application. The public hearing was set within the timeframe, but it was continued at the request of staff, BDC, and FCB while all of the parties attempted to work through the issues brought up by one or more party under a threat to sue. The delay was for the purpose of vetting the issues. Mayor Pro Tempore Kuehne stated he believes the timeliness arguments are not valid and read Walmart's conclusion, which stated the agreement went through unprecedented scrutiny and analysis, staff should be commended, and the RA should be approved.

Council Member Mounce agreed that "shall" and "must" are strong words, which brought to her mind the Redevelopment Agency and how the ordinance was written that projects "may" or "might" be built, instead of "shall" or "must," and the then-City Manager's response was to trust staff, which the group could not do because the language in the ordinance was not strong enough. Ms. Magdich responded courts have decided that, if there are no consequences tied to an ordinance, it is directory language. The purpose of the 60- and 90-day language is to protect applicants so their project is not intentionally shelved to miss the deadline. There are no consequences or penalties written into this ordinance; therefore, it is directory. Council Member Mounce disagreed, stating "shall" means the consequence is the developer would be out of luck. Mr. Schwabauer cautioned about interpreting words that have been interpreted by courts, stating it is not prudent to use colloquial meanings when there is legal court guidance on what certain terms mean. Council Member Mounce countered that the City ordinance should be corrected, to which Mayor Chandler agreed.

Public Works Director Charlie Swimley clarified that the dollar amount brought up by Mr. Herum should also include the cost for the pump station and additional storm drain improvements, which requires bonding, that would bring the total amount to \$4.3 million subject to plan check fees.

In response to Council Member Johnson, Ms. Magdich confirmed that a complete engineering study was done, as well as a peer review conducted by an independent party that agreed with the study.

Mr. Schwabauer pointed out that one of the arguments made at this meeting was to imply that the gatekeeper should control the logic of the agreement, but it is really the intensity of acreage of each location. In response to Mr. Schwabauer, Mr. Swimley provided calculations showing that FCB was allocated 31 percent of the basin land cost, which is appropriate for the run-off.

Council Member Mounce stated that both companies have been friends to this community and it is unfortunate that Council has to make a decision in this argument. She stated that for her the bottom line is how this will affect citizens and how much money it would cost taxpayers. Ms. Magdich stated staff provided the opinion that the RA as written and allocated is correct and that, if Council were to discount the amount requested in the RA without a justification, Mr. Browman would look to the City to make up the differential.

Council Member Nakanishi shared the feelings expressed by Council Member Mounce, stating he respects both parties, but his primary responsibility to the City is fiduciary. He stated that this matter has been prolonged because of arguments with both parties, and the legal opinion is to support the RA.

Mayor Pro Tempore Kuehne agreed, stating this is not a good place to be in as a Council Member, this issue has been on-going for over a year, he has met with both parties, and a decision must be made.

Ms. Magdich reminded Council this is a quasi-judicial matter and each member should report on with whom they met.

Council Member Nakanishi stated he met with both parties several times.

Council Member Johnson stated he met with neither party.

Council Member Mounce stated she met with both parties.

Mayor Chandler stated he met with BDC, FCB, and Elliot Homes, but not with Walmart. He questioned if there was an official response to Mr. Herum's alternative proposal, to which Mr. Schwabauer stated that Mr. Browman rejected it.

Council Member Johnson made a motion, second by Council Member Nakanishi, to adopt Resolution No. 2019-65 authorizing the City Manager to execute Reimbursement Agreement RA-18-01 for Public Improvements Constructed with Lodi Shopping Center.

VOTE:

The above motion carried by the following vote:

Ayes: Council Member Johnson, Council Member Mounce, Council Member Nakanishi, and Mayor Pro Tempore Kuehne

Noes: Mayor Chandler

Absent: None

H. Regular Calendar

H-1 Adopt Resolution Authorizing City Manager to Execute Improvement Agreement for Gateway North Subdivision, Unit No. 1, Tract No. 3940 (PW)

Public Works Director Charlie Swimley provided a brief presentation regarding the Improvement Agreement for Gateway North Subdivision, Unit No. 1, Tract No. 3940, stating the subject location is located south of the Walmart property, the configuration is reflected in Exhibit A of the staff report, and the developer provided all of the requirements now that the Reimbursement Agreement (RA) with Walmart has been approved, with the exception of payment as a condition of the RA.

In response to Council Member Mounce, Mr. Swimley responded that items of this nature are typically on the Consent Calendar; however, in this case it was necessary to handle it following the previous item relating to the Walmart RA so Council could make a decision based on the approved RA. City Manager Schwabauer added that the RA requires a payment under this agreement, and City Attorney Magdich pointed out there is a Blue Sheet regarding this item.

In response to Mayor Chandler, Ms. Magdich stated this agreement may take a similar path as the previous RA item, but the agreement does include protection for the City if payment is not made under the RA. Mr. Schwabauer added that potential reimbursements subject to an RA will depend on whether there is land in this agreement eligible for reimbursement application. Mr. Swimley stated there may be some land that qualifies along Lower Sacramento Road.

Council Member Mounce made a motion, second by Council Member Johnson, to adopt Resolution No. 2019-66 authorizing the City Manager to execute Improvement Agreement for Gateway North Subdivision, Unit No. 1, Tract No. 3940, as detailed in the Blue Sheet.

VOTE:

The above motion carried by the following vote:

Ayes: Council Member Johnson, Council Member Mounce, Council Member Nakanishi, Mayor Pro Tempore Kuehne, and Mayor Chandler

Noes: None

Absent: None

I. Ordinances

- I-1 Adopt Ordinance No. 1961 Entitled, "An Ordinance of the City Council of the City of Lodi Authorizing an Amendment to the Contract Between the City Council of the City of Lodi and the Board of Administration of the California Public Employees' Retirement System" (CLK)

Council Member Mounce stated she will be abstaining from voting on this item due to the fact that she was absent from the meeting at which this ordinance was introduced.

Mayor Pro Tempore Kuehne made a motion, second by Council Member Johnson, (following reading of the title) to waive reading of the ordinance in full and adopt and order to print Ordinance No. 1961 entitled, "An Ordinance of the City Council of the City of Lodi Authorizing an Amendment to the Contract Between the City Council of the City of Lodi and the Board of Administration of the California Public Employees' Retirement System," which was introduced at a regular meeting of the Lodi City Council held March 6, 2019.

VOTE:

The above motion carried by the following vote:

Ayes: Council Member Johnson, Council Member Nakanishi, Mayor Pro Tempore Kuehne, and Mayor Chandler

Noes: None

Abstentions: Council Member Mounce

Absent: None

J. Adjournment

There being no further business to come before the City Council, the meeting was adjourned at 10:01 p.m.

ATTEST:

Jennifer M. Ferraiolo
City Clerk



CITY OF LODI COUNCIL COMMUNICATION

AGENDA TITLE: Approve Specifications and Authorize Advertisement for Bids for 2019-2021 Standby Generator Maintenance, Repair, and Rental Contract

MEETING DATE: May 1, 2019

PREPARED BY: Public Works Director

RECOMMENDED ACTION: Approve specifications and authorize advertisement for bids for 2019-2021 Standby Generator Maintenance, Repair, and Rental Contract.

BACKGROUND INFORMATION: The City of Lodi owns and operates 28 emergency standby generator sets that range in size between six kilowatt (kW) to 2000 kW. The generators are located at critical facilities where operation during an extended power outage is necessary to maintain public health and/or safety. Examples of these facilities include fire stations, water wells and Surface Water Treatment Plant, sanitary lift stations, White Slough Water Pollution Control Facility (WSWPCF), and the police station.

Since September 2013, the City has contracted with an outside company that specializes in generator maintenance and repairs. The current contract with Holt of California expires on June 30, 2019. Staff recommends again outsourcing the specialized preventative maintenance to minimize more costly repairs and/or unreliable operation.

In addition to normal maintenance and repairs, WSWPCF periodically requires backup power during planned service interruption to the Northern California Power Agency's power plant, located adjacent to the treatment facility. A 2,000 kW generator rental is necessary to meet State requirements of redundant power supply. WSWPCF has experienced service interruption lasting 21 days.

Specifications for the project are on file in the Public Works Department. The planned bid opening date is May 22, 2019. The project estimate is \$200,000 annually.

FISCAL IMPACT: By performing preventative maintenance efforts, the City will realize a reduction in costly repairs and increased reliability of emergency standby generators supporting critical facilities.

FUNDING AVAILABLE: Funding will be identified at project award.

Charles E. Swimley, Jr.
Public Works Director

Prepared by Andrew Richle, Utilities Superintendent
CES/AR/tw

APPROVED: _____
Stephen Schwabauer, City Manager



**CITY OF LODI
COUNCIL COMMUNICATION**

TM

AGENDA TITLE: Approve Plans and Specifications and Authorize Advertisement for Bids for Citywide Bike Lane Improvement Project

MEETING DATE: May 1, 2019

PREPARED BY: Public Works Director

RECOMMENDED ACTION: Approve plans and specifications and authorize advertisement for bids for Citywide Bike Lane Improvement Project.

BACKGROUND INFORMATION: This project will install Class II and Class III bicycle facilities (exhibit A) on Guild Avenue, Pine Street, Holly Drive, Mills Avenue, Loma Drive, California Street, Elm Street, Lockeford Street, Aspen Grove Drive, Vineyard Drive, and Banyan Drive, as identified in the City’s Bicycle Master Plan. The locations are shown on Exhibit B.

The City received non-competitive Measure K funds, in the amount of \$232,720 (Cycle One, 2017-2021), for various bicycle, pedestrian, and safe routes to school improvements. Funds must be spent by 2021. This project will use a portion of the funds for installing the bicycle facilities at locations indicated above. Staff is planning other bike/ped improvement projects to use the remaining funds.

The specifications are on file in the Public Works Department. The planned bid opening date is May 29, 2019. The project estimate is \$60,000.

FISCAL IMPACT: There will be an increase in future maintenance cost to maintain the new bicycle street striping and signs.

FUNDING AVAILABLE: Funding will be identified at project award.

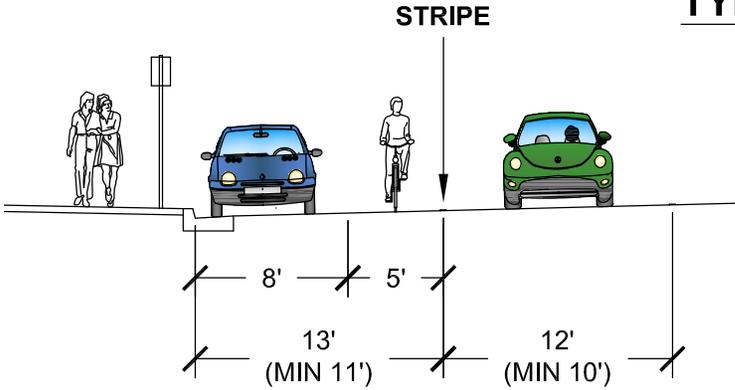
Charles E. Swimley, Jr
Public Works Director

Prepared by Lyman Chang, City/Engineer/Deputy Public Works Director
CES/LC/tdb
Attachment

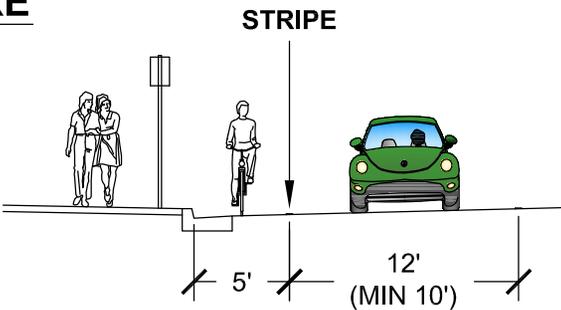
cc: Senior Civil Engineer, Nathan
Traffic Engineer, Firoz
Public Works Management Analyst

APPROVED: _____
Stephen Schwabauer, City Manager

**TYPICAL CLASS II BIKE
LANE LAYOUT**

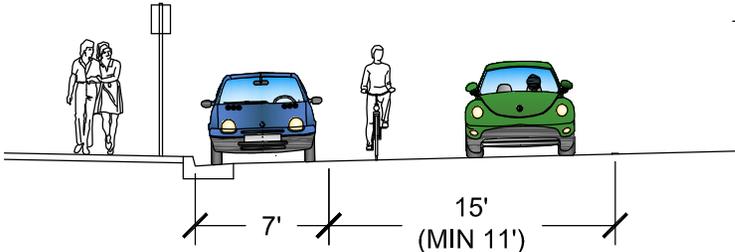


BIKE LANE WITH PARKING

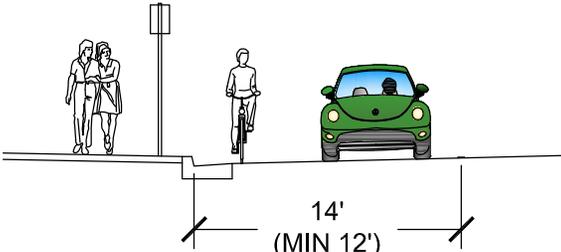


BIKE LANE WITHOUT PARKING

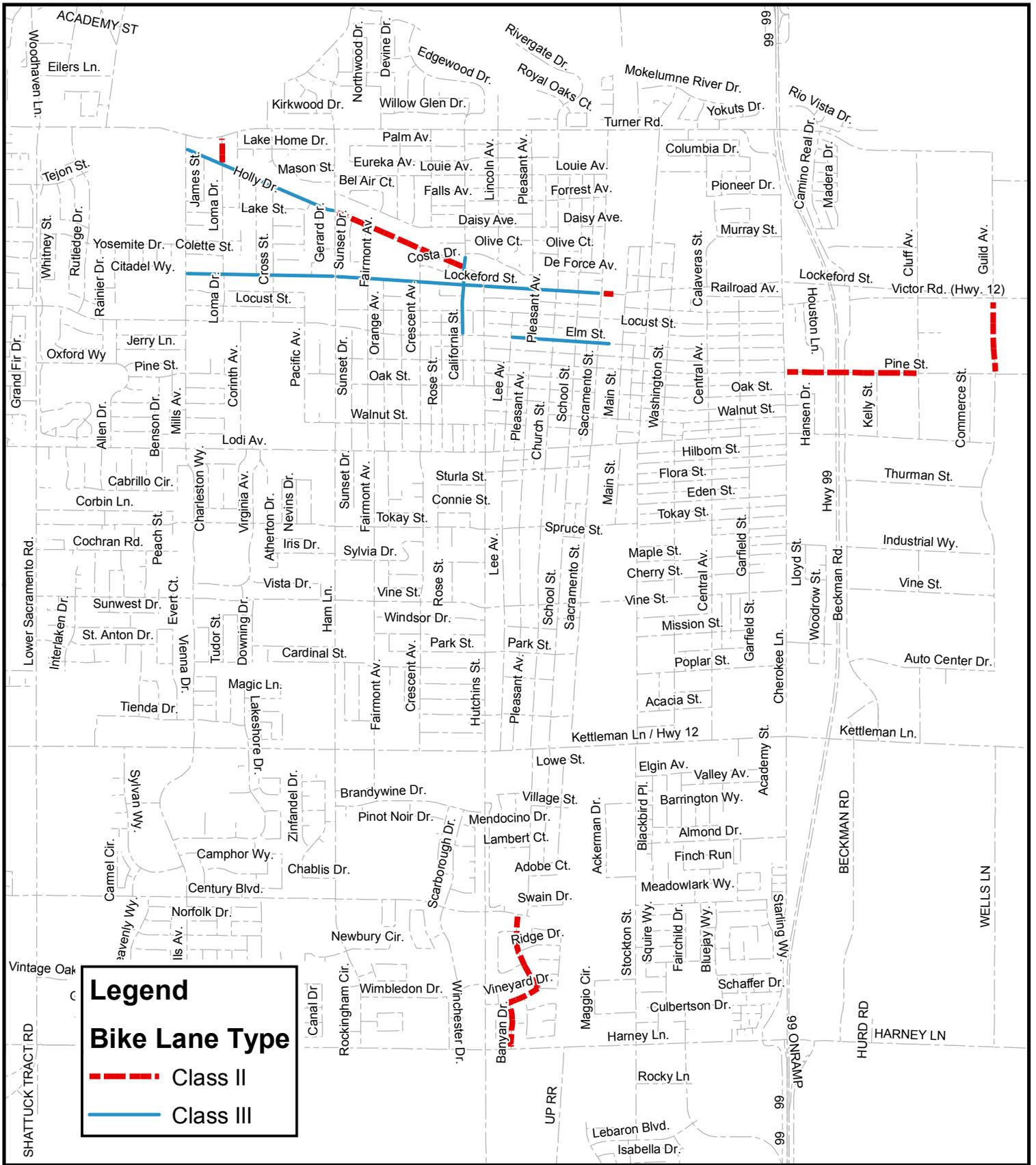
**TYPICAL CLASS III BIKE
ROUTE LAYOUT**



BIKE ROUTE WITH PARKING



BIKE ROUTE WITHOUT PARKING



Legend

Bike Lane Type

- - - Class II
- Class III

EXHIBIT B
2019
Citywide Bike Lane Improvement
Location Map





CITY OF LODI COUNCIL COMMUNICATION

TM

AGENDA TITLE: Adopt Resolution Authorizing City Manager to Execute Amendment No. 1 to Professional Services Agreement with Siegfried Engineering, Inc., of Stockton, for Lodi Station Parking Garage Elevator Shaft Assessment and Repair Project

MEETING DATE: May 1, 2019

PREPARED BY: Public Works Director

RECOMMENDED ACTION: Adopt resolution authorizing City Manager to execute Amendment No. 1 to Professional Services Agreement with Siegfried Engineering, Inc., of Stockton, for Lodi Station Parking Garage Elevator Shaft Assessment and Repair Project.

BACKGROUND INFORMATION: The Lodi Station Parking Garage, located at 50 North Sacramento Street, has two elevators to convey patrons to all three floors of the parking structure. On May 15, 2018, a motorist hit the north elevator shaft located on the third floor. The impact caused substantial damages to the elevator equipment and elevator shaft.

Staff contacted Siegfried Engineering, Inc. of Stockton, in July of 2018, to perform the structural analysis, prepare contract documents, and perform construction management service for the necessary repairs to the elevator equipment. The project experienced delays due to the difficulty of procuring a qualified elevator contractor to perform the elevator repair portion of the work. On April 3, 2019, the City Council awarded a contract for the elevator repair work, which is expected to be complete in August 2019. While Siegfried's agreement with the City is set to expire in May 31, 2019, its construction support services are needed through the term of the elevator repair contract.

If approved, Amendment No. 1 will extend the agreement expiration date with Siegfried Engineering to September 30, 2019, allowing the City to retain Siegfried Engineering through the term of the elevator repair project.

Staff recommends authorizing City Manager to execute Amendment No.1 to Professional Services Agreement with Siegfried Engineering, Inc., of Stockton, for the Lodi Station Parking Garage Elevator Shaft Assessment and Repair Project.

FISCAL IMPACT: Not applicable.

FUNDING AVAILABLE: Not applicable.

Charles E. Swimley, Jr.
Public Works Director

Prepared by Lyman Chang, Deputy Public Works Director/ City Engineer
CES/LC/tdb
Attachment

cc: Siegfried Engineering, Inc.
Public Works Management Analyst
Transportation Manager
Facilities Supervisor

APPROVED: _____
Stephen Schwabauer, City Manager

AMENDMENT NO. 1

SIEGFRIED ENGINEER, INC.
PROFESSIONAL SERVICES AGREEMENT

THIS AMENDMENT NO. 1 TO PROFESSIONAL SERVICES AGREEMENT, is made and entered this ____ day of _____, 2019, by and between the CITY OF LODI, a municipal corporation (hereinafter "CITY"), and SIEGFRIED ENGINEER, INC., a California corporation (hereinafter "CONTRACTOR").

WITNESSETH:

1. WHEREAS, CONTRACTOR and CITY entered into a Professional Services Agreement on July 17, 2018 (the "Agreement"), as set forth in Exhibit 1, attached hereto and made part of; and
2. WHEREAS, CITY requested to extend the term of the Agreement through September 30, 2019 within the existing fee schedule; and
3. WHEREAS, CONTRACTOR agrees to said amendments.

NOW, THEREFORE, the parties agree to amend the Agreement as set forth above. All other terms and conditions of the Agreement remain unchanged.

IN WITNESS WHEREOF, CITY and CONTRACTOR have executed this Amendment No. 1 on the date and year first above written.

CITY OF LODI, a municipal corporation
hereinabove called "CITY"

SIEGFRIED ENGINEER, INC., a California
corporation
hereinabove called "CONTRACTOR"

STEPHEN SCHWABAUER
City Manager

ANTHONY J. LOPES
President

Attest:

JENNIFER M. FERRAILOLO, City Clerk

Approved as to Form:

JANICE D. MAGDICH, City Attorney

AGREEMENT FOR PROFESSIONAL SERVICES**ARTICLE 1
PARTIES AND PURPOSE****Section 1.1 Parties**

THIS AGREEMENT is entered into on July 17, 2018, by and between the CITY OF LODI, a municipal corporation (hereinafter "CITY"), and SIEGFRIED ENGINEERING, INC., a California corporation (hereinafter "CONTRACTOR").

Section 1.2 Purpose

CITY selected the CONTRACTOR to provide the services required in accordance with attached Scope of Services, Exhibit A, attached and incorporated by this reference.

CITY wishes to enter into an agreement with CONTRACTOR for structural engineering services for Lodi Station Parking Garage Elevator Damage Repair Project (hereinafter "Project") as set forth in the Scope of Services attached here as Exhibit A. CONTRACTOR acknowledges that it is qualified to provide such services to CITY.

**ARTICLE 2
SCOPE OF SERVICES****Section 2.1 Scope of Services**

CONTRACTOR, for the benefit and at the direction of CITY, shall perform the Scope of Services as set forth in Exhibit A.

Section 2.2 Time For Commencement and Completion of Work

CONTRACTOR shall commence work pursuant to this Agreement, upon receipt of a written notice to proceed from CITY or on the date set forth in Section 2.6, whichever occurs first, and shall perform all services diligently and complete work under this Agreement based on a mutually agreed upon timeline or as otherwise designated in the Scope of Services.

CONTRACTOR shall submit to CITY such reports, diagrams, drawings and other work products as may be designated in the Scope of Services.

CONTRACTOR shall not be responsible for delays caused by the failure of CITY staff to provide required data or review documents within the appropriate time frames. The review time by CITY and any other agencies involved in the project shall not be counted against CONTRACTOR's contract performance period. Also, any delays due to

weather, vandalism, acts of God, etc., shall not be counted. CONTRACTOR shall remain in contact with reviewing agencies and make all efforts to review and return all comments.

Section 2.3 Meetings

CONTRACTOR shall attend meetings as may be set forth in the Scope of Services.

Section 2.4 Staffing

CONTRACTOR acknowledges that CITY has relied on CONTRACTOR's capabilities and on the qualifications of CONTRACTOR's principals and staff as identified in its proposal to CITY. The Scope of Services shall be performed by CONTRACTOR, unless agreed to otherwise by CITY in writing. CITY shall be notified by CONTRACTOR of any change of Project Manager and CITY is granted the right of approval of all original, additional and replacement personnel at CITY's sole discretion and shall be notified by CONTRACTOR of any changes of CONTRACTOR's project staff prior to any change.

CONTRACTOR represents it is prepared to and can perform all services within the Scope of Services (Exhibit A) and is prepared to and can perform all services specified therein. CONTRACTOR represents that it has, or will have at the time this Agreement is executed, all licenses, permits, qualifications, insurance and approvals of whatsoever nature are legally required for CONTRACTOR to practice its profession, and that CONTRACTOR shall, at its own cost and expense, keep in effect during the life of this Agreement all such licenses, permits, qualifications, insurance and approvals, and shall indemnify, defend and hold harmless CITY against any costs associated with such licenses, permits, qualifications, insurance and approvals which may be imposed against CITY under this Agreement.

Section 2.5 Subcontracts

Unless prior written approval of CITY is obtained, CONTRACTOR shall not enter into any subcontract with any other party for purposes of providing any work or services covered by this Agreement.

Section 2.6 Term

The term of this Agreement commences on June 1, 2018 and terminates upon the completion of the Scope of Services or on May 31, 2019, whichever occurs first.

ARTICLE 3
COMPENSATION

Section 3.1 Compensation

CONTRACTOR's compensation for all work under this Agreement shall conform to the provisions of the Fee Proposal, attached hereto as Exhibit B and incorporated by this reference.

CONTRACTOR shall not undertake any work beyond the scope of this Agreement unless such additional work is approved in advance and in writing by CITY.

Section 3.2 Method of Payment

CONTRACTOR shall submit invoices for completed work on a monthly basis, or as otherwise agreed, providing, without limitation, details as to amount of hours, individual performing said work, hourly rate, and indicating to what aspect of the Scope of Services said work is attributable. CONTRACTOR's compensation for all work under this Agreement shall not exceed the amount of the Fee Proposal.

Section 3.3 Costs

The Fee Proposal shall include all reimbursable costs required for the performance of the Scope of Services. Payment of additional reimbursable costs considered to be over and above those inherent in the original Scope of Services shall be approved in advanced and in writing, by CITY.

Section 3.4 Auditing

CITY reserves the right to periodically audit all charges made by CONTRACTOR to CITY for services under this Agreement. Upon request, CONTRACTOR agrees to furnish CITY, or a designated representative, with necessary information and assistance needed to conduct such an audit.

CONTRACTOR agrees that CITY or its delegate will have the right to review, obtain and copy all records pertaining to performance of this Agreement. CONTRACTOR agrees to provide CITY or its delegate with any relevant information requested and shall permit CITY or its delegate access to its premises, upon reasonable notice, during normal business hours for the purpose of interviewing employees and inspecting and copying such books, records, accounts, and other material that may be relevant to a matter under investigation for the purpose of determining compliance with this requirement. CONTRACTOR further agrees to maintain such records for a period of three (3) years after final payment under this Agreement.

ARTICLE 4
MISCELLANEOUS PROVISIONS

Section 4.1 Nondiscrimination

In performing services under this Agreement, CONTRACTOR shall not discriminate in the employment of its employees or in the engagement of any sub CONTRACTOR on the basis of race, color, religion, sex, sexual orientation, marital status, national origin, ancestry, age, or any other criteria prohibited by law.

Section 4.2 ADA Compliance

In performing services under this Agreement, CONTRACTOR shall comply with the Americans with Disabilities Act (ADA) of 1990, and all amendments thereto, as well as all applicable regulations and guidelines issued pursuant to the ADA.

Section 4.3 Indemnification and Responsibility for Damage

CONTRACTOR to the fullest extent permitted by law, shall indemnify and hold harmless CITY, its elected and appointed officials, directors, officers, employees and volunteers from and against any claims, damages, losses, and expenses (including reasonable attorney's fees and costs), arising out of performance of the services to be performed under this Agreement, provided that any such claim, damage, loss, or expense is caused by the negligent acts, errors or omissions of CONTRACTOR, any subcontractor employed directly by CONTRACTOR, anyone directly or indirectly employed by any of them, or anyone for whose acts they may be liable, except those injuries or damages arising out of the active negligence, sole negligence, or sole willful misconduct of the City of Lodi, its elected and appointed officials, directors, officers, employees and volunteers. CITY may, at its election, conduct the defense or participate in the defense of any claim related in any way to this indemnification. If CITY chooses at its own election to conduct its own defense, participate in its own defense, or obtain independent legal counsel in defense of any claim related to this indemnification, CONTRACTOR shall pay all of the costs related thereto, including without limitation reasonable attorney fees and costs. The defense and indemnification obligations required by this Agreement are undertaken in addition to, and shall not in any way be limited by the insurance obligations set forth herein.

Section 4.4 No Personal Liability

Neither the City Council, nor any other officer or authorized assistant or agent or City employee shall be personally responsible for any liability arising under this Agreement.

Section 4.5 Responsibility of CITY

CITY shall not be held responsible for the care or protection of any material or parts of the work described in the Scope of Services prior to final acceptance by CITY, except as expressly provided herein.

Section 4.6 Insurance Requirements for CONTRACTOR

CONTRACTOR shall take out and maintain during the life of this Agreement, insurance coverage as set forth in Exhibit C attached hereto and incorporated by this reference.

Section 4.7 Successors and Assigns

CITY and CONTRACTOR each bind themselves, their partners, successors, assigns, and legal representatives to this Agreement without the written consent of the others. CONTRACTOR shall not assign or transfer any interest in this Agreement without the prior written consent of CITY. Consent to any such transfer shall be at the sole discretion of CITY.

Section 4.8 Notices

Any notice required to be given by the terms of this Agreement shall be in writing signed by an authorized representative of the sender and shall be deemed to have been given when the same is personally served or upon receipt by express or overnight delivery, postage prepaid, or three (3) days from the time of mailing if sent by first class or certified mail, postage prepaid, addressed to the respective parties as follows:

To CITY: City of Lodi
221 West Pine Street
P.O. Box 3006
Lodi, CA 95241-1910
Attn: Lyman Chang

To CONTRACTOR: Seigfried Engineering, Inc.
3244 Brookside Road, Suite 100
Stockton, CA 95219
Attn: Anthony J. Lopes

Section 4.9 Cooperation of CITY

CITY shall cooperate fully and in a timely manner in providing relevant information it has at its disposal relevant to the Scope of Services.

Section 4.10 CONTRACTOR is Not an Employee of CITY

CONTRACTOR agrees that in undertaking the duties to be performed under this Agreement, it shall act as an independent contractor for and on behalf of CITY and not an employee of CITY. CITY shall not direct the work and means for accomplishment of

the services and work to be performed hereunder. CITY, however, retains the right to require that work performed by CONTRACTOR meet specific standards without regard to the manner and means of accomplishment thereof.

Section 4.11 Termination

CITY may terminate this Agreement, with or without cause, by giving CONTRACTOR at least ten (10) days written notice. Where phases are anticipated within the Scope of Services, at which an intermediate decision is required concerning whether to proceed further, CITY may terminate at the conclusion of any such phase. Upon termination, CONTRACTOR shall be entitled to payment as set forth in the attached Exhibit B to the extent that the work has been performed. Upon termination, CONTRACTOR shall immediately suspend all work on the Project and deliver any documents or work in progress to CITY. However, CITY shall assume no liability for costs, expenses or lost profits resulting from services not completed or for contracts entered into by CONTRACTOR with third parties in reliance upon this Agreement.

Section 4.12 Confidentiality

CONTRACTOR agrees to maintain confidentiality of all work and work products produced under this Agreement, except to the extent otherwise required by law or permitted in writing by CITY. CITY agrees to maintain confidentiality of any documents owned by CONTRACTOR and clearly marked by CONTRACTOR as "Confidential" or "Proprietary", except to the extent otherwise required by law or permitted in writing by CONTRACTOR. CONTRACTOR acknowledges that CITY is subject to the California Public Records Act.

Section 4.13 Applicable Law, Jurisdiction, Severability, and Attorney's Fees

This Agreement shall be governed by the laws of the State of California. Jurisdiction of litigation arising from this Agreement shall be venued with the San Joaquin County Superior Court. If any part of this Agreement is found to conflict with applicable laws, such part shall be inoperative, null, and void insofar as it is in conflict with said laws, but the remainder of this Agreement shall be in force and effect. In the event any dispute between the parties arises under or regarding this Agreement, the prevailing party in any litigation of the dispute shall be entitled to reasonable attorney's fees from the party who does not prevail as determined by the San Joaquin County Superior Court.

Section 4.14 City Business License Requirement

CONTRACTOR acknowledges that Lodi Municipal Code Section 3.01.020 requires CONTRACTOR to have a city business license and CONTRACTOR agrees to secure such license and pay the appropriate fees prior to performing any work hereunder.

Section 4.15 Captions

The captions of the sections and subsections of this Agreement are for convenience only and shall not be deemed to be relevant in resolving any question or interpretation or intent hereunder.

Section 4.16 Integration and Modification

This Agreement represents the entire understanding of CITY and CONTRACTOR as to those matters contained herein. No prior oral or written understanding shall be of any force or effect with respect to those matters covered hereunder. This Agreement may not be modified or altered except in writing, signed by both parties.

Section 4.17 Contract Terms Prevail

All exhibits and this Agreement are intended to be construed as a single document. Should any inconsistency occur between the specific terms of this Agreement and the attached exhibits, the terms of this Agreement shall prevail.

Section 4.18 Severability

The invalidity in whole or in part of any provision of this Agreement shall not void or affect the validity of any other provision of this Agreement.

Section 4.19 Ownership of Documents

All documents, photographs, reports, analyses, audits, computer media, or other material documents or data, and working papers, whether or not in final form, which have been obtained or prepared under this Agreement, shall be deemed the property of CITY. Upon CITY's request, CONTRACTOR shall allow CITY to inspect all such documents during CONTRACTOR's regular business hours. Upon termination or completion of services under this Agreement, all information collected, work product and documents shall be delivered by CONTRACTOR to CITY within ten (10) calendar days.

CITY agrees to indemnify, defend and hold CONTRACTOR harmless from any liability resulting from CITY's use of such documents for any purpose other than the purpose for which they were intended.

Section 4.20 Authority

The undersigned hereby represent and warrant that they are authorized by the parties to execute this Agreement.

Section 4.21 Federal Transit Funding Conditions

If the box at left is checked, the Federal Transit Funding conditions attached as Exhibit D apply to this Agreement. In the event of a conflict between the terms of this Agreement or any of its other exhibits, and the Federal Transit Funding Conditions, the Federal Transit Funding Conditions will control.

IN WITNESS WHEREOF, CITY and CONTRACTOR have executed this Agreement as of the date first above written.

CITY OF LODI, a municipal corporation

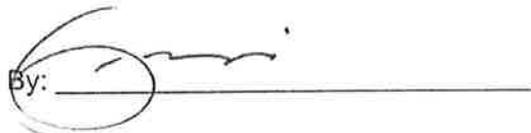
ATTEST:

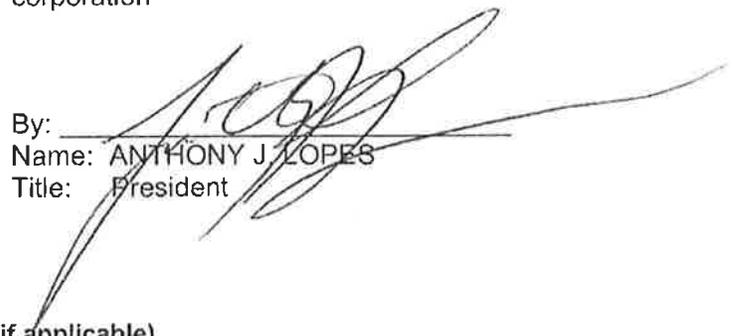

JENNIFER M. FERRAIOLO
City Clerk


STEPHEN SCHWABAUER
City Manager

APPROVED AS TO FORM:
JANICE D. MAGDICH, City Attorney

SIEGFRIED ENGINEERING, INC., a California corporation

By: 

By: 
Name: ANTHONY J. LOPES
Title: President

- Attachments:**
Exhibit A – Scope of Services
Exhibit B – Fee Proposal
Exhibit C – Insurance Requirements
Exhibit D – Federal Transit Funding Conditions (if applicable)

Funding Source: 60054105.72499
(Business Unit & Account No.)

SCOPE OF PROFESSIONAL SERVICES

LODI STATION PARKING GARAGE ELEVATOR DAMAGE REPAIR

LODI, CA

June 6, 2018

SIEGFRIED ENGINEERING, INC. (Siegfried) will provide Structural Engineering services to Client for the proposed assessment & repairs of the North Elevator enclosure at the Lodi Station Parking Garage located at the southeast corner of Sacramento and Elm Streets in Lodi, California. This is in response to the vehicular damage to the elevator which occurred on 5/15/18. The following is a summary of our proposed scope of services;

TASK 1 SITE INVESTIGATION & REPORT

1. Conduct a site visit site to perform a visual structural assessment of damage to the elevator shaft and immediate surrounding structural elements. It is understood that the elevator cab, landing doors, guide track and other elevator features may have to be replaced.
2. Prepare a written assessment report to;
 - a. Identify and describe structural damage observed.
 - b. Make general recommendations for further investigations and/or repairs.
3. If required, attend one meeting with the Client to review report results.

TASK 2 CONSTRUCTION DOCUMENTS

1. Prepare structural construction document drawings for items requiring repair as determined in Task 1. The drawings will include;
 - a. Project cover sheet with a vicinity map, key plan and localized, basic site plan.
 - b. Demolition plan & details of damaged structural features. This plan will also include the removal of necessary damaged elevator components.
 - c. Structural plan, sections and details for the elevator shaft repair of CMU shell, landing openings and required surrounding structural elements.
 - d. Architectural sections and details for
 - i. Damaged glazing and surrounding mullion.
 - ii. Damaged brick veneer
2. Prepare engineers opinion of probable construction costs.

TASK 3 PERMITTING & BIDDING

1. Respond to jurisdictional plan review comments.
2. Assist contractor with plan interpretations, preparing minor plan addendums as required to clarify plan details during bidding.

TASK 4 CONSTRUCTION SUPPORT SERVICES

1. Assist contractor with plan interpretation, preparing minor plan addendums as required to clarify plan details during construction.
2. Review contractor product and shop drawing submittals.
3. Up to one site visit during construction to assist with the resolution of unforeseen conditions.

EXCLUDED SERVICES

Exclusions to the above scope of services shall be any service not specifically described above and shall exclude the following items of work. These services may be performed by SEI at additional cost with prior written agreement.

- a. Materials testing and destructive or radiographic examinations.
- b. Structural analysis to determine the capacity of the structure or verify the adequacy of the original design.
- c. Design of elevator repairs or new elevator system.
- d. Public meeting presentations.
- e. Permit submittal and fees.

FEES

Task	Description	Fee
1	Site Investigation & Report	\$ 2,500.00
2	Construction Documents	\$ 9,000.00
3	Permitting & Bidding	\$ 1,300.00
4	Construction Support Services	\$ 3,200.00
Total fee not to exceed...		\$ 16,000.00

1. Additional services are subject to additional charge mutually agreed to prior to start of the additional work. Changes in the scope of services or magnitude of the Project are additional services. Should the Project be postponed or canceled, our office will bill for the time expended on the Project up to the time of notification including close-out cost.
2. We will bill you monthly based on time expended and reimbursable expenses. Reimbursable expenses shall be billed in accordance with our rate schedule in effect at the time services are rendered.



EXHIBIT C

NOTE: The City of Lodi is now using the online insurance program PINS Advantage. Once you have been awarded a contract you will receive an email from the City's online insurance program requesting you to forward the email to your insurance provider(s) to submit the required insurance documentation electronically

Insurance Requirements for Professional Services

Contractor shall procure and maintain for the duration of the contract insurance against claims for injuries to persons or damages to property which may arise from or in connection with the performance of the work hereunder and the results of that work by the Contractor, his agents, representatives, employees or subcontractors.

MINIMUM SCOPE AND LIMIT OF INSURANCE

Coverage shall be at least as broad as:

1. **Commercial General Liability (CGL):** Insurance Services Office Form CG 00 01 covering CGL on an "occurrence" basis, including products and completed operations, property damage, bodily injury and personal & advertising injury with limits no less than **\$1,000,000** per occurrence. If a general aggregate limit applies, either the general aggregate limit shall apply separately to this project/location (ISO CG 25 03 or 25 04) or the general aggregate limit shall be twice the required occurrence limit.
2. **Automobile Liability:** ISO Form Number CA 00 01 covering any auto or if Contractor has no owned autos, then hired, and non-owned autos with limit no less than **\$1,000,000** per accident for bodily injury and property damage.
3. **Workers' Compensation:** as required by the State of California, with Statutory Limits, and Employer's Liability Insurance with limit of no less than **\$1,000,000** per accident for bodily injury or disease.
4. **Professional Liability (Errors and Omissions)** Insurance appropriate to the Consultant's profession, with limits not less than **\$1,000,000** per occurrence or claim, \$2,000,000 aggregate. May be waived by Risk Manager depending on the scope of services.

Other Insurance Provisions:

- (a) Additional Named Insured Status
The City of Lodi, its elected and appointed boards, commissions, officers, agents, employees, and volunteers are to be covered as additional insureds on the CGL and auto policy with respect to liability arising out of work or operations performed by or on behalf of the Contractor including materials, parts, or equipment furnished in connection with such work or operations. General liability coverage can be provided in the form of an endorsement to the Contractor's insurance (at least as broad as ISO Form CG 20 10 11 85 or if not available, through the addition of **both** CG 20 10, CG 20 26, CG 20 33, or CG 20 38; **and** CG 20 37 if a later edition is used
- (b) Primary and Non-Contributory Insurance Endorsement
The limits of insurance coverage required may be satisfied by a combination of primary and umbrella or excess insurance. For any claims related to this contract, the Contractor's insurance coverage shall be primary coverage **at least as broad** as ISO CG 20 01 04 13 as respects the Entity, its officers, officials, employees, and volunteers. Any insurance or self-insurance maintained by the Entity, its officers, officials, employees, or volunteers shall be excess of the Contractor's insurance and shall not contribute with it.
- (c) Waiver of Subrogation Contractor hereby grants to City of Lodi a waiver of any right to subrogation which any insurer of said Contractor may acquire against the City of Lodi by virtue of the payment of any loss under such insurance. Contractor agrees to obtain any endorsement that may be necessary to affect this waiver of subrogation, but this provision applies regardless of whether or not the City of Lodi has received a waiver of subrogation endorsement from the insurer

NOTE: (1) The street address of the **CITY OF LODI** must be shown along with (a) and (b) and (c) above: 221 West Pine Street, Lodi, California, 95240; (2) The insurance certificate must state, on its face or as an endorsement, a description of the project that it is insuring.

- (d) Severability of Interest Clause
The term "insured" is used severally and not collectively, but the inclusion herein of more than one insured shall not operate to increase the limit of the company's liability under the Contractors commercial general liability and automobile liability policies.
- (e) Notice of Cancellation or Change in Coverage Endorsement
This policy may not be canceled nor the coverage reduced by the company without 30 days' prior written notice of such cancellation or reduction in coverage to the Risk Manager, City of Lodi, 221 West Pine St., Lodi, CA 95240.

- (f) Continuity of Coverage
All policies shall be in effect on or before the first day of the Term of this Agreement. At least thirty (30) days prior to the expiration of each insurance policy, Contractor shall furnish a certificate(s) showing that a new or extended policy has been obtained which meets the minimum requirements of this Agreement. Contractor shall provide proof of continuing insurance on at least an annual basis during the Term. If Contractor's insurance lapses or is discontinued for any reason, Contractor shall immediately notify the City and immediately obtain replacement insurance. Contractor agrees and stipulates that any insurance coverage provided to the City of Lodi shall provide for a claims period following termination of coverage which is at least consistent with the claims period or statutes of limitations found in the California Tort Claims Act (California Government Code Section 810 et seq.).
- (g) Failure to Comply
If Contractor fails or refuses to obtain and maintain the required insurance, or fails to provide proof of coverage, the City may obtain the insurance. Contractor shall reimburse the City for premiums paid, with interest on the premium paid by the City at the maximum allowable legal rate then in effect in California. The City shall notify Contractor of such payment of premiums within thirty (30) days of payment stating the amount paid, the name(s) of the insurer(s), and rate of interest. Contractor shall pay such reimbursement and interest on the first (1st) day of the month following the City's notice. Notwithstanding any other provision of this Agreement, if Contractor fails or refuses to obtain or maintain insurance as required by this agreement, or fails to provide proof of insurance, the City may terminate this Agreement upon such breach. Upon such termination, Contractor shall immediately cease use of the Site or facilities and commence and diligently pursue the removal of any and all of its personal property from the site or facilities.
- (h) Verification of Coverage
Consultant shall furnish the City with a copy of the policy declaration and endorsement page(s), original certificates and amendatory endorsements or copies of the applicable policy language effecting coverage required by this clause. All certificates and endorsements are to be received and approved by the City before work commences. However, failure to obtain the required documents prior to the work beginning shall not waive the Consultant's obligation to provide them. The City reserves the right to require complete, certified copies of all required insurance policies, including endorsements required by these specifications, at any time. **Failure to exercise this right shall not constitute a waiver of the City's right to exercise after the effective date.**
- (i) Self-Insured Retentions
Self-insured retentions must be declared to and approved by the City. The City may require the Consultant to provide proof of ability to pay losses and related investigations, claim administration, and defense expenses within the retention. The policy language shall provide, or be endorsed to provide, that the self-insured retention may be satisfied by either the named insured or City.
- (j) Insurance Limits
The limits of insurance described herein shall not limit the liability of the Contractor and Contractor's officers, employees, agents, representatives or subcontractors. Contractor's obligation to defend, indemnify and hold the City and its officers, officials, employees, agents and volunteers harmless under the provisions of this paragraph is not limited to or restricted by any requirement in the Agreement for Contractor to procure and maintain a policy of insurance.
- (k) Subcontractors
Consultant shall require and verify that all subcontractors maintain insurance meeting all the requirements stated herein, and Consultant shall ensure that City is an additional insured on insurance required from subcontractors
- (l) Claims Made Policies
If any of the required policies provide coverage on a claims-made basis:
1. The Retroactive Date must be shown and must be before the date of the contract or the beginning of contract work.
2. Insurance must be maintained and evidence of insurance must be provided for **at least** five (5) years after completion of the contract of work.
3. If coverage is canceled or non-renewed, and not replaced with another claims-made policy form with a Retroactive Date prior to the contract effective date, the Consultant must purchase "extended reporting" coverage for a minimum of five (5) years after completion of contract work.
- (m) Qualified Insurer(s)
All insurance required by the terms of this Agreement must be provided by insurers licensed to do business in the State of California which are rated at least "A-, VI" by the AM Best Ratings Guide, and which are acceptable to the City. Non-admitted surplus lines carriers may be accepted provided they are included on the most recent list of California eligible surplus lines insurers (LESLI list) and otherwise meet City requirements.

RESOLUTION NO. 2019-_____

A RESOLUTION OF THE LODI CITY COUNCIL AUTHORIZING
THE CITY MANAGER TO EXECUTE AMENDMENT NO. 1 TO
THE PROFESSIONAL SERVICES AGREEMENT WITH
SIEGFRIED ENGINEERING, INC., OF STOCKTON, FOR
LODI STATION PARKING GARAGE ELEVATOR
ASSESSMENT AND REPAIR PROJECT

=====

WHEREAS, the Lodi Station Parking Garage, located at 50 North Sacramento Street, has two elevators to convey patrons to all three floors of the parking structure; and

WHEREAS, on May 15, 2018, a patron, driving a vehicle, hit the north elevator shaft located on the third floor, causing substantial damages to the elevator equipment and elevator shaft; and

WHEREAS, in July 2018, staff contacted Siegfried Engineering, Inc., of Stockton, to perform the structural analysis, prepare contract documents, and perform construction management services for the necessary repairs to the elevator equipment. The project experienced delays due to the difficulty in procuring a qualified elevator contractor to perform the elevator repair portion of the work; and

WHEREAS, Amendment No. 1 will extend the agreement expiration date with Siegfried Engineering to September 30, 2019, allowing the City to retain Siegfried Engineering to finish the elevator repair project agreement administrative services; and

WHEREAS, staff recommends authorizing the City Manager to execute Amendment No. 1 to the Professional Services Agreement with Siegfried Engineering, Inc., of Stockton, for Lodi Station Parking Garage Elevator Assessment and Repair Project.

NOW, THEREFORE, BE IT RESOLVED that the Lodi City Council does hereby authorize the City Manager to execute Amendment No. 1 to the Professional Services Agreement with Siegfried Engineering, Inc., of Stockton, California, for Lodi Station Parking Garage Elevator Assessment and Repair Project, extending the term of the agreement to September 30, 2019.

Dated: May 1, 2019

=====

I hereby certify that Resolution No. 2019-_____ was passed and adopted by the City Council of the City of Lodi in a regular meeting held May 1, 2019, by the following vote:

- AYES: COUNCIL MEMBERS –
- NOES: COUNCIL MEMBERS –
- ABSENT: COUNCIL MEMBERS –
- ABSTAIN: COUNCIL MEMBERS –

JENNIFER M. FERRAILOLO
City Clerk



TM

CITY OF LODI COUNCIL COMMUNICATION

AGENDA TITLE: Adopt Resolution Accepting Luca Place Subdivision, Tract No. 3622, Public Improvements

MEETING DATE: May 1, 2019

PREPARED BY: Public Works Director

RECOMMENDED ACTION: Adopt resolution accepting Luca Place subdivision, Tract No. 3622, public improvements.

BACKGROUND INFORMATION: The Luca Place subdivision is located at 1380 Westgate Drive, as shown on Exhibit A. The private development consists of 16 low-density, residential lots.

The project included private interior improvements, along with the installation of a public water system and frontage improvements which are part of, or appurtenant to, the project. Improvements along Westgate Drive included installation of access driveways, sidewalk, and pavement repair.

The public improvements have been completed in substantial conformance with the subdivision requirements and the photos of the completed work are shown in Exhibit B. The developer has provided the required maintenance bond.

Staff recommends accepting Luca Place subdivision, Tract No. 3622, public improvements.

FISCAL IMPACT: There will be an increase in long-term maintenance costs for public infrastructure and City services, such as police, fire, and parks. The cost will be partially funded by the Lodi Consolidated Landscape and Maintenance District 2003-1.

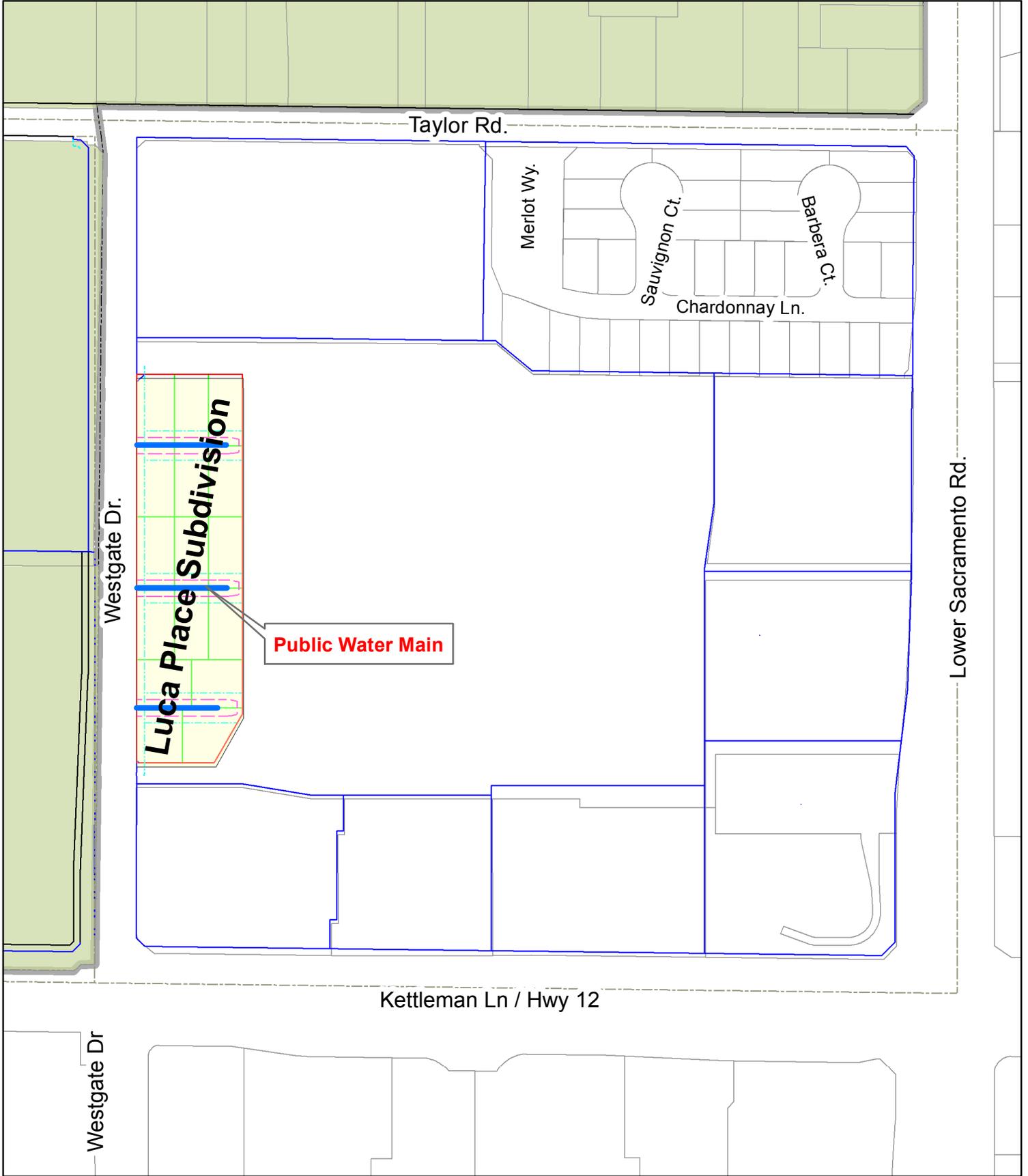
FUNDING AVAILABLE: Not applicable.

Charles E. Swimley, Jr.
Public Works Director

Prepared by Lyman Chang, City Engineer/Deputy Public Works Director
CES/LC/tdb
Attachments

cc: City Engineer / Deputy Public Works Director
Assistant Engineer, Kiri
Construction Manager
Senior Engineering Technician Wiman
Cecil Mitchell Equities, LLC
Baumbach & Piazza

APPROVED: _____
Stephen Schwabauer, City Manager



1380 Westgate Dive

EXHIBIT A



Exhibit B



When Recorded Please Return to:
Lodi City Clerk
P.O. Box 3006
Lodi, CA 95241-1910

RESOLUTION NO. 2019-____

A RESOLUTION OF THE LODI CITY COUNCIL ACCEPTING
LUCA PLACE SUBDIVISION, TRACT NO. 3622,
PUBLIC IMPROVEMENTS

=====

WHEREAS, Luca Place subdivision is located at 1380 Westgate Drive; and

WHEREAS, the private development consists of 16 low-density residential lots; and

WHEREAS, the project included private interior improvements, along with the installation of a public water system and frontage improvements which are part of, or appurtenant to, the project; and

WHEREAS, staff recommends accepting Luca Place subdivision, Tract No. 3622, public improvements.

NOW, THEREFORE, BE IT RESOLVED that the Lodi City Council does hereby accept Luca Place subdivision, Tract No. 3622, public improvements.

Dated: May 1, 2019

=====

I hereby certify that Resolution No. 2019-____ was passed and adopted by the City Council of the City of Lodi in a regular meeting held May 1, 2019, by the following vote:

AYES: COUNCIL MEMBERS –

NOES: COUNCIL MEMBERS –

ABSENT: COUNCIL MEMBERS –

ABSTAIN: COUNCIL MEMBERS –

JENNIFER M. FERRAILOLO
City Clerk



CITY OF LODI COUNCIL COMMUNICATION

AGENDA TITLE: Adopt a Resolution Accepting the San Joaquin Continuum of Care Homeless Emergency Aid Program Grant and Appropriating Funds (\$1,250,000)

MEETING DATE: May 1, 2019

PREPARED BY: Community Development Director

RECOMMENDED ACTION: Adopt a Resolution accepting the San Joaquin Continuum of Care Homeless Emergency Aid Program grant and appropriating funds (\$1,250,000).

BACKGROUND INFORMATION: The City received notice on December 13, 2018, that the San Joaquin Continuum of Care (SJCoC) awarded the City \$1,250,000 in Homeless Emergency Aid Program (HEAP) grant funds for its proposed tiny-home permanent supportive housing project.

California is in the midst of a homelessness crisis. To support the development of local solutions to address immediate needs, the California legislature has allocated \$500 million in noncompetitive block grant funds for distribution statewide based on the January 2017 Point in Time Count figures reported by California Continuums of Care. By this formula, in 2018, the SJCoC received \$7.1 million in one-time HEAP grant funds from California's Business, Consumer Services, and Housing Agency. As required by HEAP, the SJCoC is responsible for accepting project proposals from eligible organizations throughout the county and applying for funds on behalf of those organizations with the agency.

The City of Lodi is experiencing a crisis with its homeless population. Over the last few years, the City has seen an increase in the number of sheltered and unsheltered homeless individuals. Many of Lodi's unsheltered homeless individuals face challenges with mental illness and addiction; plus, those in temporary shelters have difficulty finding affordable and safe permanent housing. The City's Committee on Homelessness meets monthly to look for solutions among members and collaborates with the SJCoC on homeless initiatives. Beginning in 2017, the City Police Department's Homeless Liaison Officer and several volunteers have provided one-on-one assistance to those facing homelessness as well. In an attempt to address this crisis collectively, the City held a town hall meeting in October 2018 to gather various stakeholders and residents to discuss issues and solutions.

When the SJCoC announced HEAP notice of funding availability, the Lodi Improvement Committee members reviewed and evaluated, along with input from the town hall meeting and several homeless service providers, potential projects that would assist Lodi's homeless population while fitting within the grant guidelines. The Committee recommended that the City pursue a tiny-homes permanent supportive housing project. The City then entered into an agreement with consultant Michael Baker International to submit an application; as required of the application, the City approved a declaration of shelter crisis in Lodi.

APPROVED: _____
Stephen Schwabauer, City Manager

The City's proposed project will create approximately five units of permanent supportive housing for homeless individuals and families or those at risk of homelessness. This supportive housing will help homeless individuals/families move from emergency shelters, motel voucher and transitional housing programs, or off the streets into long-term, affordable housing where they can continue their progress toward stable and independent living. The project will receive tenant referrals from local organizations including Salvation Army, Lodi House, and Women's Center, as well as the Housing Authority of the County of San Joaquin (HACSJ). HACSJ will supply housing choice vouchers to tenants. Consistent with the Housing First Model, as required by HEAP, a tenant's occupancy will not be contingent upon screening practices nor participation in a program; furthermore, the HACSJ's housing choice voucher program's eligibility criteria is consistent with the Housing First Model. That said, volunteer supportive housing services will be available for tenants, and tenants will sign lease agreements that include appropriate maintenance of each unit. The City has partnered with HACSJ to manage the construction of this project. Also, the City will own the land for the project site and the HACSJ will own and manage the tiny homes project similar to its other housing properties.

The tiny homes project is estimated to cost a total of \$1,867,942. Of this amount, \$400,000 is allocated for property acquisition, \$1,250,442 in site improvement and construction costs, \$210,000 in project management and coordination (\$160,000 is HACSJ donated staff time), and \$7,500 in donated landscaping and household furnishings. The SJCoC grant of \$1,250,000 will cover approximately 67 percent of these project costs—specifically, the construction and property acquisition. City funds will be used to cover \$53,500 in project coordination and building/planning fees, and \$125,000 in energy-efficient appliances from Electric Utility's Community Benefit Fund; HACSJ funds will cover \$160,000 for project management; CDBG or other funds will be used to cover property acquisition costs that are not fully covered by the HEAP grant; and the City anticipates receiving \$7,500 in donated landscaping and furnishing. HEAP grant funds must be expended by June 30, 2021, and half of those funds must be contractually obligated by January 1, 2020.

FISCAL IMPACT: The HEAP grant will provide \$1,250,000 in funds to cover project costs. Of the remaining costs, the City will use building funds (\$3,500), general funds (\$50,000), Electric Utility's Community Benefit Fund (\$125,000), and part of its annual CDBG allocation (\$271,942). Additionally, HACSJ will pay for its own staff time in the managing of this project (\$160,000); plus, private donations (\$75,000) are anticipated.

FUNDING AVAILABLE: San Joaquin Continuum of Care Homeless Emergency Aid Program (HEAP) Grant

Andrew Keys
Deputy City Manager/Internal Services Director

Stephen Schwabauer
Community Development Director

Attachments:

- A. SJCoC and City of Lodi – HEAP Subrecipient Agreement



Office of the County Administrator

Monica Nino, County Administrator

Jerry Becker, Assistant County Administrator

April 1, 2019

MEMORANDUM

TO: Stephen Schwabauer, Authorized Representative
FROM: Adam Cheshire, Program Administrator – Homeless Initiatives
SUBJECT: Homeless Emergency Aid Program Sub-Recipient Agreement

Enclosed you will find the agreement including all attachments executing your project using Homeless Emergency Aid Program funds as allocated by the San Joaquin Continuum of Care. Please review each section carefully, then sign, date and/or initial where indicated.

Please **scan** the signed, dated and initialed agreement and send to me at:

acheshire@sigov.org

Please also **return the original with wet signatures** to me at:

County Administration Building
44 North San Joaquin Street
Sixth Floor, Suite 640
Stockton, CA 95202
ATTN: Adam Cheshire

You may begin using funds immediately following the execution of this agreement. **Prior to using funds**, please contact Chris Becerra at cbecerra@sigov.org or (209) 468-3157. Should you have any other questions or need assistance, please do not hesitate to contact me.

Thank you,

Adam Cheshire
Program Administrator – Homeless Initiatives
San Joaquin County

SUBRECIPIENT AGREEMENT FOR SAN JOAQUIN CONTINUUM OF CARE CA-511 HOMELESS EMERGENCY AID PROGRAM (HEAP) FUNDING FOR FY 2019-2020

THIS AGREEMENT entered into, by and between San Joaquin County, a political subdivision of the State of California, hereinafter referred to as "COUNTY" and The City of Lodi, hereinafter referred to as "SUBRECIPIENT". Collectively "COUNTY" and "SUBRECIPIENT" are the "Parties."

The term of this Agreement is the date of the EFFECTIVE DATE through and including October 31, 2021.

The COUNTY is hereby awarding SUBRECIPIENT an amount not to exceed: \$1,250,000 (the FUNDS) as applied for by SUBRECIPIENT in its San Joaquin Continuum of Care CA-511 Homeless Emergency Aid Program Application (SUBRECIPIENT'S APPLICATION) submitted to COUNTY on November 16, 2018, which is hereby made part of this Agreement.

SUBRECIPIENT shall expend 100 percent of the FUNDS pursuant to this Agreement prior to June 30, 2021. Any of the FUNDS not expended by SUBRECIPIENT by that date shall be returned to the COUNTY for reversion to the State pursuant to Health and Safety Code Section 50215.

The Parties agree to comply with the terms and conditions of the following Exhibits, which are hereby made part of this Agreement:

EXHIBIT A: Authority, Purpose, and Scope of Work

EXHIBIT B: Budget Detail and Payment Provisions

EXHIBIT C: Terms and Conditions

EXHIBIT D: Special Terms and Conditions

Total number of pages attached: 22

The effective date of this Agreement shall be the date the last of the Parties signs this Agreement (the EFFECTIVE DATE).

IN WITNESS WHEREOF, this Agreement has been executed by the Parties hereto.

SUBRECIPIENT's NAME:

Date Signed: _____

BY: (Authorized signature)

Printed Name and Title of Person Signing

SAN JOAQUIN COUNTY:

Date Signed: April 1, 2019

BY: (Authorized signature)

Adam Cheshire – Program Administrator – Homeless Initiatives

Approved as to Form:

JANICE D. MAGDOCH
City Attorney



**SUBRECIPIENT AGREEMENT
EXHIBIT A**

AUTHORITY, PURPOSE, AND SCOPE OF WORK

The Parties to the Subrecipient Agreement for San Joaquin Continuum of Care CA-511 Homeless Emergency Aid Program (HEAP) Funding for Fiscal Year 2019-20 (this “Agreement”), of which this is Exhibit A.

1. AUTHORITY:

- A. The State has established HEAP under Chapter 5 (Commencing with Section 50210) of Part 1 of Division 31 of the Health and Safety Code, and all other relevant provisions established under SB 850 (Chapter 48, Statutes of 2018).
- B. HEAP is administered by the California Homeless Coordinated and Financing Council (Council) in the Business, Consumer Services and Housing Agency (Agency).
- C. The Agency provides one-time flexible block grant funds to Administrative Entities as defined in the September 5, 2018, HEAP Notice of Funding Availability (NOFA).
- D. HEAP Objectives are to benefit the emergency needs of homeless individuals, and aid individuals at imminent risk of homelessness, as defined in Chapter 5 (commencing with Section 50210) of Part 1 of Division 31 of the Health and Safety Code, and all other relevant provisions established under SB 850 (Chapter 48, Statutes of 2018).
- E. COUNTY applied for and received HEAP grant funds and is the recognized Administrative Entity (AE) as provided for by HEAP and defined in the September 5, 2018, HEAP NOFA. Therefore, the COUNTY will administer and distribute HEAP funds allocated to the COUNTY.
- F. Based on SUBRECIPIENT’s APPLICATION COUNTY determined that SUBRECIPIENT is eligible and qualified as a subrecipient for HEAP funds to be spent in a manner that will meet the HEAP Objectives.
- G. In entering into this Agreement and accepting the FUNDS, SUBRECIPIENT agrees to comply with the terms and conditions of this Agreement, the SUBRECIPIENT APPLICATION, the NOFA under which the SUBRECIPIENT applied, and the requirements of HEAP.

2. PURPOSE

The purpose of this Agreement is to pass through HEAP one-time block grant funding awarded to the COUNTY to the SUBRECIPIENT to spend in a manner that is consistent with the HEAP Objectives within San Joaquin County.

3. DEFINITIONS

Terms in this Agreement have the same meaning as the definitions set forth in the HEAP NOFA.

4. DISBURSEMENT

COUNTY shall disburse HEAP funds to SUBRECIPIENT in an amount not to exceed \$1,250,000 (the "FUNDS") pursuant to SUBRECIPIENT AGREEMENT Exhibit D upon submission by SUBRECIPIENT of a Subrecipient Request for Funds Form (RFF).

5. SCOPE OF WORK

The Scope of Work for this Agreement includes the SUBRECIPIENT's expending of the FUNDS after disbursement on one-time uses that are consistent with HEAP, Chapter 5 (commencing with Section 50210) of Part 1 of Division 31 of the Health and Safety Code, and all other relevant provisions established under SB 850 (Chapter 48, Statutes of 2018) as detailed in the SUBRECIPIENT APPLICATION Project Budget, compliant with this Agreement, and to the satisfaction of the COUNTY.

Any use of the FUNDS on housing-related activities including but not limited to, emergency shelter, rapid-rehousing, rental assistance, transitional housing, and permanent supportive housing must be in compliance or otherwise aligned with the Core Components of Housing First, pursuant to Welfare and Institution Code Section 8255(b).

6. COUNTY CONTRACT COORDINATOR

COUNTY contract coordinator for this Agreement is the County's Neighborhood Preservation Management Analyst or designee. All notices, reports, or other communication required pursuant to this Agreement shall be emailed and mailed by first class mail as follows, unless the SUBRECIPIENT is otherwise directed in writing by the County:

Christine Becerra, Management Analyst III
1810 E Hazelton Ave, Stockton, CA 95205, Stockton, CA 95202
cbecerra@sgjov.org
(209) 468-3157

7. SUBRECIPIENT's CONTRACT COORDINATOR

SUBRECIPIENT's contract coordinator for this Agreement is identified below. All notices, reports, or other communication required pursuant to this Agreement shall be emailed and mailed by first class mail as follows, unless the COUNTY is otherwise directed in writing by SUBRECIPIENT:

SUBRECIPIENT's Authorized Representative Name:	
Address:	
Phone:	
Email:	

**SUBRECIPIENT AGREEMENT
EXHIBIT B**

BUDGET DETAIL AND PAYMENT PROVISIONS

The Parties to the Subrecipient Agreement for San Joaquin Continuum of Care CA-511 Homeless Emergency Aid Program (HEAP) Funding for Fiscal Year 2019-20 (this “Agreement”), of which this is Exhibit B.

1. BUDGET DETAIL:

SUBRECIPIENT agrees that the FUNDS shall be expended on one-time uses that are consistent with HEAP, Chapter 5 (commencing with Section 50210) of Part 1 of Division 31 of the Health and Safety Code, and all other relevant provisions established under SB 850 (Chapter 48, Statutes of 2018) as detailed in the SUBRECIPIENT APPLICATION Project Budget, compliant with this Agreement, and to the satisfaction of the COUNTY.

2. CONDITIONS PRIOR TO DISBURSEMENT:

Prior to COUNTY’s disbursement of the FUNDS, SUBRECIPIENT shall submit the following to COUNTY:

- A. One completed Request for Funds Form (RFF)
- B. Four original copies of the signed SUBRECIPIENT AGREEMENT including initialed Exhibits A-D
- C. Any other documents, certifications, or evidence requested by COUNTY as part of the HEAP application or this Agreement

3. EXPENDITURE OF FUNDS:

SUBRECIPIENT shall expend the FUNDS in compliance with the NOFA, this Agreement, and Chapter 5 of Part 1 of Division 31 of the Health and Safety Code and all other relevant provisions established under SB 850, including but not limited to Health and Safety Code Sections 50214 and 50215 which mandate the following:

- A. No more than 5 percent of the FUNDS may be used for administrative costs related to the execution of eligible activities.
- B. No less than 5 percent of the FUNDS shall be used to establish or expand services meeting the needs of homeless youth or youth at risk of homelessness.
- C. No less than 50 percent of the FUNDS shall be contractually obligated by January 1, 2020.
- D. 100 percent of the FUNDS shall be expended by June 30, 2021.
- E. Any funds not expended by June 30, 2021, shall be returned to the COUNTY for reversion to the Agency and the General Fund.

The FUNDS may not be obligated and expended prior to the SUBRECIPIENT’s receipt of the FUNDS even if it is for an eligible use under the statute and this Agreement.

4. DISBURSEMENT:

COUNTY shall disburse the FUNDS to the SUBRECIPIENT upon receipt, review, and approval of a complete RFF and subject to conditions of this Agreement by SUBRECIPIENT. The FUNDS shall be provided in a one-time grant by check to the SUBRECIPIENT.

5. BUDGET CHANGES:

SUBRECIPIENT shall expend the FUNDS consistent with this Agreement with no changes unless the SUBRECIPIENT first obtains consent from the County and the Parties then memorializes the agreed upon change in writing, which shall be made an addendum to this Exhibit.

6. INELIGIBLE COSTS:

SUBRECIPIENT shall not use the FUNDS for costs associated with activities in violation of any law or for any activities or uses that are not consistent HEAP, including but not limited to Health and Safety Code Section 50214, for costs not authorized by this Agreement, or for costs not sufficiently documented (INELIGIBLE COSTS).

The COUNTY may request additional information, evidence, and clarification to determine the reasonableness and eligibility of all costs paid with the FUNDS. If SUBRECIPIENT uses the FUNDS for INELIGIBLE COSTS then SUBRECIPIENT shall be required to reimburse the COUNTY the amount of the INELIGIBLE COSTS within 30 days of the COUNTY's discovery of the expenditure.

The COUNTY, at its sole and reasonable discretion, shall make the final determination regarding whether SUBRECIPIENT's use of FUNDS is allowable or constitutes INELIGIBLE COSTS.

Program funds shall not be used for overhead or planning activities, including Homeless Management Information Systems or Homelessness Plans, and, therefore use of the FUNDS on such items constitutes INELIGIBLE COSTS.

The County may deem SUBRECIPIENT's use of the FUNDS on an activity not described in Exhibit A or this section as authorized if the activities are consistent with Health and Safety Code Section 50214 and such activities are included in the COUNTY approved RFF or are approved in writing by the COUNTY prior to the expenditure of FUNDS for that use.

7. ADMINISTRATIVE COSTS:

SUBRECIPIENT shall use no more than 5 percent of the FUNDS on administrative costs related to the execution of eligible activities pursuant to Health and Safety Code Section 50214. For purposes of this Agreement and HEAP, "administrative costs" does *not* include staff costs directly related to carrying out the eligible activities described in this Agreement and, specifically, paragraph 1 of this Exhibit.

**SUBRECIPIENT AGREEMENT
EXHIBIT C**

TERMS AND CONDITIONS

The Parties to the Subrecipient Agreement for San Joaquin Continuum of Care CA-511 Homeless Emergency Aid Program (HEAP) Funding for Fiscal Year 2019-20 (this "Agreement"), of which this is Exhibit C.

1. Commencement of Work and Completion Dates:

- A. SUBRECIPIENT shall not commence work nor incur or obligate any costs to be paid with the FUNDS prior to receiving the FUNDS from COUNTY.
- B. SUBRECIPIENT must contractually obligate no less than 50 percent of the FUNDS by January 1, 2020, and expend 100 percent of the FUNDS by June 30, 2021. Any funds not expended by June 30, 2021, shall be returned to COUNTY.
 - i. "Obligate" means SUBRECIPIENT has placed orders, awarded contracts, received services, or entered similar transactions that require payment from the FUNDS.
 - ii. "Expended" means all FUNDS obligated under contract or subcontract have been fully paid and receipted, and no invoices remain outstanding.
- C. SUBRECIPIENT shall complete all work by the expiration date specified in this Agreement and shall provide all services within the Scope of Work for the full term of this Agreement.

2. Sufficiency of Funds and Termination:

- A. This Agreement is valid and enforceable only if sufficient funds are made available to the COUNTY by the Agency and legislative appropriation. In addition, this Agreement is subject to any additional restrictions, limitations or conditions, or statutes, regulations or any other laws, whether federal or those of the State of California, or of any agency, department, or any political subdivision of the federal or State of California governments, which may affect the provisions, terms or funding of this Agreement in any manner.
- B. The COUNTY may terminate this Agreement at any time for cause by giving a minimum of 14 days' notice of termination, in writing, to SUBRECIPIENT.
 - i. "Cause" means:
 - i. A violations of any terms or conditions of this Agreement, or any breach of contract as described in Paragraph 7 of this Exhibit; or
 - ii. A violation of any Federal or State Laws or Regulations; or
 - iii. A withdrawal of COUNTY's expenditure authority.

- C. Upon termination of this Agreement for cause, unless otherwise approved in writing by the COUNTY, any unexpended FUNDS shall be returned to the COUNTY within thirty days of a notice of termination.

3. Transfers:

SUBRECIPIENT may not transfer or assign by subcontract or novation, or by any other means, the rights, duties, or performance of this Agreement or any part thereof, except with the prior written approval of the COUNTY and a formal amendment to this Agreement to affect such subcontract or novation.

4. SUBRECIPIENT's Application for Funds:

The COUNTY is entering into this Agreement on the basis of, and in substantial reliance upon, SUBRECIPIENT'S APPLICATION, including the facts, information, assertions, and representations contained in that application, and in any subsequent modifications or additions to that Application prior to the EFFECTIVE DATE of this Agreement. SUBRECIPIENT'S APPLICATION is part of this Agreement.

SUBRECIPIENT warrants that all information, facts, assertions, and representations contained in SUBRECIPIENT'S APPLICATION and approved modifications and additions thereto are true, correct, and complete to the best of SUBRECIPIENT'S knowledge.

If any part of the SUBRECIPIENT'S APPLICATION or COUNTY approved modification is determined to be untrue, incorrect, incomplete, or misleading in such a manner that would substantially affect COUNTY's approval, disbursement, or monitoring of the FUNDS or this Agreement, then the COUNTY may declare a breach of this Agreement.

5. Accounting/Reporting/Audits:

- A. SUBRECIPIENT shall adhere to standard accounting principles and procedures, utilize adequate internal accounting and security controls, and maintain necessary source documentation for all costs incurred.
- B. SUBRECIPIENT shall submit Quarterly Reports, first Quarterly Report due 30 days after receipt of the FUNDS and quarterly thereafter, an Annual Report by December 15, 2019, and December 15, 2020, and a Final Report by September 15, 2021, to the COUNTY on forms provided by the COUNTY.
- i. If the SUBRECIPIENT fails to provide the required reports then it may constitute a COUNTY may declare of breach of this Agreement.
- C. The Quarterly reports and annual reports shall contain a detailed report containing the following:
- i. Amount of award with activity(ies).
- ii. Contract expenditures.

- iii. Unduplicated number of homeless persons or persons at imminent risk of homelessness served.
- iv. Number of instances of service (defined in September 5, 2018 HEAP NOFA).
- v. Increases in capacity for new and existing programs.
- vi. The number of unsheltered homeless persons becoming sheltered.
- vii. The number of homeless persons entering permanent housing.
(May be reflected using a completed Logic Model)

D. Report breakdowns are be expected for each activity (i.e. services, capital improvements, rental assistance, etc.) and program type (i.e. emergency shelter, rapid re-housing, outreach, etc.) for the supplemental reporting requirements listed above when applicable. The same information will also be requested specifically for the following subpopulations, based on priorities defined by the U. S. Department of Housing and Urban Development (HUD):

- i. Chronically homeless
- ii. Homeless veterans
- iii. Unaccompanied homeless youth
- iv. Homeless persons in families with children

E. Counts by subpopulation will not be required in cases where that information is unavailable, but it is expected in cases where client information is entered in a Homeless Management System (HMIS). Additional breakdowns for other subgroups (e.g. race, ethnicity, disability status, etc.) are optional, if the SUBRECIPIENT chooses to include them.

F. Reports shall include SUBRECIPIENT comments on the following:

- i. Progress made toward the COUNTY's homelessness goals and Strategic Priorities.
- ii. The alignment between HEAP funding programs and "Housing First" principles adopted by the Homeless Coordinating and Financing Council.
- iii. Any other effects from HEAP funding that the SUBRECIPIENT would like to share (optional).

G. COUNTY may perform or cause to be performed a financial audit of SUBRECIPIENT.

H. COUNTY may demand that SUBRECIPIENT provide, at its own expense, a financial audit prepared by a certified public accountant. The administrative portion of the FUNDS may be used to fund this expense. If COUNTY demands and audit:

- i. SUBRECIPIENT shall notify the COUNTY of the auditor's name and address immediately after the selection has been made. The contract for the audit shall allow access by COUNTY to the independent auditor's working papers.
- ii. SUBRECIPIENT is responsible for the completion of audits and all costs of preparing audits.

- iii. If there are audit findings, SUBRECIPIENT must submit a detailed response acceptable to the COUNTY for each audit finding within 90 days from the date of the audit finding.

6. Retention and Inspection of Records:

- A. The SUBRECIPIENT shall maintain all records required by Chapter 5 of Part 1 of Division 31 of the Health and Safety Code and all other applicable requirements established under SB 850, HEAP guidance document published on the website and this Agreement, that are pertinent to the activities to be funded under this Agreement. SUBRECIPIENT shall retain records including but not be limited to:
 - i. Records providing a full description of each activity undertaken;
 - ii. Records demonstrating that each activity undertaken meets one of the Objectives of the HEAP program;
 - iii. Records required to determine the eligibility of activities; and
 - iv. Records required to document the acquisition, improvement, use or disposition of real property acquired or improved with FUNDS
- B. SUBRECIPIENT shall retain all records described in Paragraph A for a minimum period of 5 years after the termination of this Agreement.
 - i. If any litigation, claim, negotiation, audit, monitoring, inspection or other action has been commenced before the expiration of the required record retention period, all records must be retained until completion of the action and resolution of all issues which arise from it.
- C. SUBRECIPIENT shall allow the COUNTY or its designee to review, obtain, and copy all records and supporting documentation pertaining to performance of this Agreement. SUBRECIPIENT agrees to provide the COUNTY or its designee, with any relevant information requested. The SUBRECIPIENT agrees to permit the COUNTY or its designee access to its premises, upon reasonable notice, during normal business hours for the purpose of interviewing employees who might reasonably have information related to such records and inspecting and copying such books, records, accounts, and other materials that may be relevant to a matter under investigation for the purpose of determining compliance with the Chapter 5 of Part 1 of Division 31 of the Health and Safety Code and all other applicable requirements established under SB 850, HEAP program guidance document published on the website, and this Agreement.

7. Breach and Remedies:

- A. The following shall each constitute a breach of this Agreement:
 - i. SUBRECIPIENT's failure to comply with the terms or conditions of this Agreement.
 - ii. Use of, or permitting the use of, FUNDS for any INELIGIBLE COSTS.
 - iii. Any failure to comply with the deadlines set forth in this Agreement.

- B. In addition to any other remedies that may be available to the COUNTY in law or equity for breach of this Agreement, the COUNTY may:
- i. Bar the SUBRECIPIENT from applying for future HEAP funds through the COUNTY;
 - ii. Revoke any other existing HEAP award(s) to the SUBRECIPIENT;
 - iii. Require the return of any unexpended FUNDS disbursed under this Agreement;
 - iv. Require repayment of FUNDS disbursed under this Agreement;
 - v. Require the immediate return to the COUNTY of all funds derived from the use of FUNDS including, but not limited to, recaptured funds and returned funds;
 - vi. Seek, in a court of competent jurisdiction, an order for specific performance of the defaulted obligation or the appointment of a receiver to complete the technical assistance in accordance with HEAP requirements; and
 - vii. Seek such other remedies as may be available under this Agreement or any law.
- C. All remedies available to the COUNTY are cumulative and not exclusive.
- D. The COUNTY may give written notice to the SUBRECIPIENT to cure the breach or violation within a period of not less than 15 days.

8. Waivers:

No waiver of any breach of this Agreement shall be held to be a waiver of any prior or subsequent breach. The failure of the COUNTY to enforce at any time the provisions of this Agreement, or to require at any time, performance by the SUBRECIPIENT of these provisions, shall in no way be construed to be a waiver of such provisions nor to affect the validity of this Agreement or the right of the COUNTY to enforce these provisions.

9. Nondiscrimination:

A. During the performance of this Agreement, SUBRECIPIENT and its subcontractors shall not unlawfully discriminate, harass, or allow harassment against any employee or applicant for employment, or deny medical, family care, or pregnancy disability leave, because of sex (gender), sexual orientation, gender identity, gender expression, race, color, ancestry, religion, creed, national origin (including language use restriction), pregnancy, physical disability (including HIV and AIDS), mental disability, medical condition (cancer/genetic characteristics), age (over 40), genetic information, marital status, or military and veteran status. SUBRECIPIENT and its subcontractors shall also ensure that the evaluation and treatment of their employees and applicants for employment are free from such discrimination and harassment.

B. SUBRECIPIENT and its subcontractors shall comply with the provisions of the Fair Employment and Housing Act (Government Code section 12990 (a-f) et seq.) and the

applicable regulations promulgated thereunder (California Code of Regulations, Title 2, section 7285 et seq.). The applicable regulations of the Fair Employment and Housing Commission implementing Government Code section 12900 (a-f), set forth in Chapter 5 of Division 4 of Title 2 of the California Code of Regulations, are incorporated into this Agreement by reference and made a part hereof as if set forth in full. SUBRECIPIENT and its subcontractors shall give written notice of their obligations under this clause to labor organizations with which they have a collective bargaining or other agreement.

10. Conflict of Interest:

The Parties are subject to State and Federal conflict of interest laws. Failure to comply with these laws, including business and financial disclosure provisions, may result in this Agreement being declared void. Other legal action may also be taken. Applicable statutes include, but are not limited to, Government Code section 1090 and Public Contract Code, sections 10410 and 10411, for State conflict of interest requirements.

- A. Current State Employees: No State officer or employee shall engage in any employment, activity, or enterprise from which the officer or employee receives compensation or has a financial interest, and which is sponsored or funded by any State agency, unless the employment, activity, or enterprise is required as a condition of regular State employment. No State officer or employee shall contract on their own behalf as an independent contractor with any State agency to provide goods or services.
- B. Former State Employees: For the two-year period from the date they left State employment, no former State officer or employee may enter into a contract in which they engaged in any of the negotiations, transactions, planning, arrangements, or any part of the decision-making process relevant to the contract while employed in any capacity by any State agency. For the twelve-month period from the date they left the State employment, no former State officer or employee may enter into a contract with any State agency if they were employed by that State agency in a policy-making position in the same general subject area as the proposed contract within the twelve-month period prior to their leaving State service.
- C. Employees of the SUBRECIPIENT: Employees of the SUBRECIPIENT shall comply with all applicable provisions of law pertaining to conflicts of interest, including but not limited to any applicable conflict of interest provisions of the California Political Reform Act, Government Code section 87100 et seq.

11. Drug-Free Workplace Certification:

Certification of Compliance: By signing this Agreement, SUBRECIPIENT, and its subcontractors, hereby certify, under penalty of perjury under the laws of State of California, compliance with the requirements of the Drug-Free Workplace Act of 1990 (Government Code 8350 et seq.) and have or will provide a drug-free workplace by taking the following actions:

- A. Publish a statement notifying employees and subcontractors that unlawful manufacture, distribution, dispensation, possession, or use of a controlled substance is prohibited and

specifying actions to be taken against employees, contractors, or subcontractors for violations, as required by Government Code section (8355(a)(1).

- B. Establish a Drug-Free Awareness Program, as required by Government Code section 8355(a)(2) to inform employees, contractors, or subcontractors about all of the following:
 - i. The dangers of drug abuse in the workplace;
 - ii. SUBRECIPIENT's policy of maintaining a drug-free workplace;
 - iii. Any available counseling, rehabilitation, and employee assistance programs; and
 - iv. Penalties that may be imposed upon employees, contractors, and subcontractors for drug abuse violations.
- C. Provide, as required by Government Code section 8355(a)(3), that every employee and/or subcontractor who works under this Agreement:
 - 1. Will receive a copy of SUBRECIPIENT's drug-free policy statement, and
 - 2. Will agree to abide by terms of SUBRECIPIENT's condition of employment or subcontract.

12. Child Support Compliance Act:

For any contract or subcontract for FUNDS in excess of \$100,000, the SUBRECIPIENT acknowledges in accordance with Public Contract Code 7110, the following:

- A. SUBRECIPIENT recognizes the importance of child and family support obligations and shall fully comply with all applicable state and federal laws relating to child and family support enforcement, including, but not limited to, disclosure of information and compliance with earnings assignment orders, as provided in Chapter 8 (commencing with section 5200) of Part 5 of Division 9 of the Family Code; and
- B. SUBRECIPIENT, to the best of its knowledge is fully complying with the earnings assignment orders of all employees and is providing the names of all new employees to the New Hire Registry maintained by the California Employment Development Department.

13. Special Conditions – Contractors/Subcontractor:

- A. SUBRECIPIENT shall comply with all conditions of this Agreement including the Special Conditions set forth in Exhibit D. These conditions shall be met to the satisfaction of the COUNTY prior to disbursement of FUNDS.
- B. SUBRECIPIENT shall ensure that all of its subcontractors are made aware of and agree to comply with all the conditions of this Agreement and the applicable State requirements governing the use of FUNDS. Failure to comply with these conditions may be deemed a breach of this Agreement.

- C. Any agreement between SUBRECIPIENT and a subcontractor shall require the subcontractor, if any, to:
- i. Perform the work in accordance with Federal, State and Local housing and building codes, as applicable.
 - ii. Maintain at least the minimum State-required worker's compensation for those employees who will perform the work or any part of it.
 - iii. Maintain, as required by law, unemployment insurance, disability insurance, and liability insurance in an amount that is reasonable to compensate any person, firm or corporation who may be injured or damaged by the SUBRECIPIENT or any of its subcontractor in performing the work or any part of it.
 - iv. Agree to include all the terms of this Agreement in each subcontract.

14. Compliance with State and Federal Laws, Rules, Guidelines and Regulations:

- A. SUBRECIPIENT shall comply with State and Federal laws, rules and regulations that pertain to construction, health and safety, labor, fair employment practices, environmental protection, equal opportunity, fair housing, and all other matters applicable and/or related to HEAP and all eligible activities.
- B. SUBRECIPIENT shall also be responsible for obtaining any and all permits, licenses, and approvals required for performing any activities under this Agreement, including those necessary to perform design, construction, or operation and maintenance of the activities. SUBRECIPIENT shall provide copies of permits and approvals to the COUNTY upon request.
- C. SUBRECIPIENT shall be responsible for observing and complying with any applicable federal, state, and local laws, rules or regulations affecting any such work, specifically those including, but not limited to, environmental protection, procurement, and safety laws, rules, regulations, and ordinances.

15. Inspections:

- A. SUBRECIPIENT shall inspect any work performed pursuant to this Agreement to ensure that the work is being and has been performed in accordance with the applicable Federal, State and/or local requirements, and this Agreement.
- B. COUNTY reserves the right to inspect any work performed pursuant to this Agreement to ensure that the work is being and has been performed in accordance with the applicable Federal, State and/or local requirements, and this Agreement.
- C. Any work by SUBRECIPIENT or by its subcontractors that is determined based on such inspections to not conform to the applicable requirements shall be corrected and may be determined to be a breach of this Agreement by the COUNTY.

16. Litigation

- A. If any provision of this Agreement, or an underlying obligation, is held invalid by a court of competent jurisdiction, such invalidity, at the sole discretion of the COUNTY, shall not affect any other provisions of this Agreement and the remainder of this Agreement shall remain in full force and effect. Therefore, the provisions of this Agreement are and shall be deemed severable.
- B. SUBRECIPIENT shall notify the COUNTY immediately of any claim or action undertaken by or against it, which affects or may affect this Agreement or the COUNTY.
- C. SUBRECIPIENT shall hold harmless, defend, and indemnify the COUNTY from any and all claims, actions, suits, charges, and judgments whatsoever that arise out of the SUBRECIPIENT's performance or nonperformance under this Agreement.

17. Amendments:

- A. The GRANTEE or SUBRECIPIENT may amend this Agreement at any time provided that such amendments makes specific reference to this Agreement, and are executed in writing, signed by a duly authorized representative of each organization. Such amendments shall not invalidate this Agreement, nor relieve or release the SUBRECIPIENT from its obligations under this Agreement, unless so expressed in the written amendment.
- B. The GRANTEE may, in its discretion, amend this Agreement to conform with Federal, State or local governmental guidelines, policies and available funding amounts, or for other reasons. If such amendments result in a change in the FUNDS, the scope of services, or schedule of the activities to be undertaken as part of this Agreement, such modifications will be incorporated only by written amendment signed by both GRANTEE and SUBRECIPIENT.

18. Independent Contractor:

Nothing contained in this Agreement is intended to, or shall be construed in any manner, as creating or establishing the relationship of employer/employee between the Parties. The SUBRECIPIENT shall at all times remain only a subrecipient of grant funds.

19. Religious Activities:

The SUBRECIPIENT shall not use FUNDS for inherently religious activities such as worship, religious instruction, or proselytization.

**SUBRECIPIENT AGREEMENT
EXHIBIT D**

SPECIAL TERMS AND CONDITIONS

The Parties to the Subrecipient Agreement for San Joaquin Continuum of Care CA-511 Homeless Emergency Aid Program (HEAP) Funding for Fiscal Year 2019-20 (this "Agreement"), of which this is Exhibit D.

1. SUBRECIPIENT shall deposit the FUNDS into an interest-bearing account opened by SUBRECIPIENT for the FUNDS.
2. SUBRECIPIENT shall not deposit any other funds into the FUNDS account.
3. SUBRECIPIENT shall provide COUNTY access, upon request, to the FUNDS account for monitoring purposes only, typically via a web portal, and monthly statements from the FUNDS account in addition to the reports required in this Agreement.
4. All proceeds from the interest bearing account must be used for HEAP eligible activities. Consistent with Health and Safety Code Section 50214 (b), no more than 5 percent of the proceeds may be used for general administrative purposes and at least 5 percent of the proceeds must be allocated to establishing or expanding services for homeless youth, as defined in HEAP program documents.
5. Any housing-related activities funded with HEAP funds, including but not limited to, emergency shelter, rapid-rehousing, rental assistance, transitional housing, and permanent supportive housing must be in compliance with the Core Components of Housing First, pursuant to Welfare and Institution Code Section 8255(b).
6. SUBRECIPIENT shall provide the COUNTY access to Homeless Management Information System ("HMIS") data collected and entered into the SUBRECIPIENT's HMIS, upon request, and to participate in any statewide data initiative as directed by the COUNTY, including but not limited to, a statewide data integration environment.

San Joaquin Continuum of Care CA-511 Homeless Emergency Aid Program Application

CONTACT INFORMATION

Organization Name:	City of Lodi		
Mailing Address:	PO Box 3006	Lodi	95241
	Street	City	
Project/Program Location:	113 N. Cherokee Lane	Lodi	95241
	Street	City	Zip
Executive Director:	Stephen Schwabauer	sschwabauer@lodi.gov	209-333-6800
	Name	Email	Phone
Contact Person:	Patrice Clemons	pclemons@lodi.gov	209-333-6800 ext. 3404
	Name	Email	Phone
Website:	www.lodi.gov		
DUNS# 946000361	EIN# 94-6000361	Business License# NA	
Type of Agency:	<input type="checkbox"/> 501(c)(3)	<input checked="" type="checkbox"/> Gov't/Public	<input type="checkbox"/> Faith-Based <input type="checkbox"/> Other
Number of paid staff:	2, Project Coordinator and City Manager	Number of volunteers:	5, Committee on Homelessness Members

FUNDING REQUEST

Funding requested in this application:	\$1,521,942	Other funds already secured for the project:	\$338,500
Total cost to complete project:	\$1,867,942	Other funds not yet secured:	\$7,500

REQUIRED ATTACHMENTS

Using the checkboxes below, indicate that all attachments were included with the application at submission:

- A copy of the project budget showing all funding sources and uses.
- A copy of the organization's operational budget for the current fiscal year and proposed budget for the 2018 – 2019 fiscal year.
- A copy of the organization's most recent balance sheet and income and expenditure statement.
- The most recent audited compilation report performed by a Certified Public Accountant.
- A determination letter from the Internal Revenue Service confirming 501(c)(3) tax-exempt status.
- A current roster of the organization's officers and members of its Board of Directors, which includes their name, position held, address, telephone number, and current employer(s).
- A copy of the organization's mission statement as approved by the Board of Directors.
- Documentation of the organization's participation or commitment to participate in the local HMIS.
- A resolution declaring a shelter crisis from the governing body of the jurisdiction in which the project will be located.
- Additional: Project Timeline Chart

☒ *Additional: MOUs*

PROJECT INFORMATION

1. Provide a brief description of the proposed project for which funds are being requested. (2,500 characters/10 points)

The City of Lodi proposes the Lodi Tiny House Project (Project) which will create approximately five units of permanent supportive housing for homeless individuals and families or those at risk of homelessness.¹ This supportive housing will help homeless individuals/families move from emergency shelters, motel voucher and transitional housing programs, or off the streets into long-term, affordable housing where they can continue their progress toward stable and independent living. The Project also helps those facing a housing crisis and at risk of becoming homeless, such as people experiencing job loss or domestic violence.

The Project will receive tenant referrals from local organizations including Salvation Army, Lodi House, and Women's Center, although more agencies may be added. These referral agencies will provide ongoing support services to those they refer. These agencies estimate that, combined, they will refer 30 residents per year. The Housing Authority of the County of San Joaquin (HA) will supply housing choice vouchers. To be eligible, a tenant may not earn more than 80% of the family median income as required by U.S. Department of Housing and Urban Development (HUD); after a year of being on the voucher, the resident can apply for a tenant-based voucher, so they can move off-site and still use the voucher.

HEAP funds will be used to purchase property, develop the site, and purchase and install manufactured tiny homes. The City has vetted several properties, and found 113 N. Cherokee as a viable option to purchase/develop. The City will generally oversee the Project, while the HA will implement the Project, including purchasing/owning the property, completing construction of the site, and managing the property.

The City estimates that most residents will move out of the tiny homes and into private, market-rate houses within a few years once they have achieved more stability, income, and independence. This will allow the tiny homes to again become available to those wanting to exit homelessness.

(1) Homeless includes sheltered as defined in San Joaquin County Continuum of Care 2017 Point-In-Time (PIT): person living in emergency shelter, participating in transitional housing programs, or living in motels through voucher program; and includes unsheltered defined as persons living in a place not meant for human habitation.

2. Identify the need gap this proposed project will address. Please provide data and analysis from sources such as the Point in Time Count, the Homeless Management Information System and the Housing Inventory Count that demonstrate this gap. (2000 characters/3 points)

Permanent supportive housing (PSH) is in short supply in Lodi and surrounding San Joaquin County, which makes exiting homelessness more difficult and prevents new space from more readily opening up in shelters and transitional programs. Per the 2017 Point-In-Time (PIT): "There appears to be little room off the streets for the current unsheltered [homeless] population. Data from [HMIS] indicates that many emergency homeless shelters routinely operate at or above capacity. Permanent housing programs for the homeless report continued struggles to find suitable housing for homeless households because of current market forces."

To illustrate this demand for permanent supportive housing, the PIT showed 567 unsheltered homeless in the county, and 88 in Lodi (Committee on Homeless believes 200 is more accurate), who are in need of shelter and assistance. Further exacerbating the capacity shortage, the county had a loss of 230 transitional housing beds in 2017 due to HUD's decision to reduce funding (page 2, PIT); also, 42 beds at a domestic violence shelter were closed for construction.

Of the 985 sheltered homeless, 804 were in emergency shelter and 181 were in transitional facilities. This means that roughly 18% of them (181) could find new housing in those transitional facilities when openings arise; however, that leaves the 82% with no local transitional program option or at least a long wait. When leaving the shelter, they must find permanent housing that is either private, market rate, or voucher. It takes years and is often difficult to obtain a voucher, which are in short supply. Market-rate units are expensive for those exiting homelessness. For example, the 2016 median rent for multi-family rental in Lodi was \$1,201. Moreover, 98% of extremely low- and 84% of very low-income households were paying more than 30% of their annual income (Lodi 2016 Housing Element).

While the Housing Inventory Count reports 1,052 permanent housing beds countywide, Lodi has far fewer at only 8 units of affordable housing offered by the HA and approximately 148 tenant-based vouchers.

3. How will this project address the need gap identified in the answer above? (2000 characters/2 points)

With the shortage of affordable and supportive housing options, the Project will help individuals/families end the cycle of homelessness. When individuals/families experience homelessness they face many obstacles that can take years and added resources to overcome. Even after completing a transitional living housing program or receiving services, an individual/family may still be at risk of returning to homelessness, especially if they are unable to find affordable housing in their community. These people face continuing challenges such as inability to afford rent, lack of positive rental history, poor credit scores, financial debt, stable employment history, educational training to increase income, medical expenses, and continued access to emotional/mental health counseling services. For this reason, this Project will provide ongoing supportive services to its residents, potentially including continued access to resources, therapy, food/clothing/household supplies, and case managers.

Rental assistance vouchers will also be provided so that residents do not pay more than 30% of their monthly income to rent. The voucher will cover the difference between actual rent (approximately \$700 to \$826) and up to 30% of their monthly income. By making rent affordable, residents will be able to save money, pay debts, establish rental history, and improve their credit score. Affordable housing also creates the type of stability where residents can better maintain employment, build on skills/education, continue accessing support/counseling services, be invested in a community, and create emotional well-being. If homeless individuals/families cannot find affordable rent, then they must relocate to another community, away from structures and support systems they've developed and rely upon. Moving to a new community may mean changing schools, jobs, and access to affordable transportation, and overall puts them at risk of returning to homelessness.

4. Does this project serve the unsheltered homeless? Please explain. (1000 characters/5 points)

This Project will serve unsheltered homeless, although it is more likely that sheltered homeless will move in. Unsheltered homeless are likely to first seek services for their most urgent needs (e.g., food, shelter, income assistance). Sheltered homeless are at high risk of returning to homelessness without long-term supportive services/housing. When people are ready to move on from shelters/transitional programs, they are often unable to secure affordable housing. If they are not able to find affordable housing, they often stay in the poverty. At least three local agencies will provide referrals for residents to live in the Project. These agencies might refer from their shelters, transitional programs, or other situations, so long as the agency believes the individual/family would income qualify and be able to progress toward independence, given some supportive services. The Project will not provide the more intense, on-site case management typically seen in transitional programs.

5. Does this project focus on serving another special subpopulation prioritized by the CoC? Please describe the characteristics of the special population being served. (500 characters/1 point)

Both the Lodi House and Women's Center will refer women from their programs, many of whom have escaped domestic violence. The agencies may also refer chronically homeless. As noted above, since Lodi does not currently have many affordable housing options, homelessness has become a longer, chronic condition. The Women's

Center estimates it can refer six individuals per year to the Project; five referrals from Lodi House; and twenty from Salvation Army, for a total of 30.

6. Describe how this project aligns with the Housing First model of service delivery. (500 characters/2 points)

Based on WIC 8255(b) and NAEH, this Project prioritizes housing for people experiencing homelessness by offering vouchered permanent units and voluntary support services, so that housing can be used to create stability and as a platform to pursue personal goals. The Project prioritizes referrals from local agencies so that residents can continue their progress and use of support systems that they have already established through those agency services, shelters, and transitional programs.

7. Does your organization currently participate or plan to participate in the local HMIS? If so, provide documentation of participation or a written commitment to participate as an attachment. (2 points)

Lodi plans to participate in the local HMIS as needed to comply with this grant. HA participates in HMIS as the VASH administrator for San Joaquin County. HA provides rental assistance for up to 254 veterans and families in partnership with the Palo Alto office of the Veterans Administration. Data is tracked as participants housed as well as veterans who have been issued a VASH voucher currently seeking an apartment. Additionally, if needed, all three referral agencies plan to participate in the local HMIS. Note: Proof of HMIS participation was not provided through printed report due to confidentiality and no administrative page was available to print.

8. Does your organization currently participate in the CoC. Please explain. (500 characters/2 points)

Lodi City Manager participates in the CoC by attending meetings, providing feedback, and bringing updates to City Council. Members of the Lodi Committee on Homelessness, including Salvation Army, participate in the Ad Hoc Governance Committee, attend County Homelessness Task Force meetings, and sit on the CoC Board. HA has participated in the Homelessness Task Force and Ad Hoc Governance Committee, and will sit on CoC Board. Referral agencies voiced interest in participating more often.

9. Describe your organization's experience and history managing similar projects within the community. (2000 characters/5 points)

The City of Lodi, incorporated in 1906, has 390 full-time employees with a budget of \$200 million, and has provided oversight and direct implementation over numerous development projects. Lodi's Public Works and Community Development Departments team up to plan, design, engineer, construct, and essentially complete every aspect of development. Additionally, under the CDBG program, the City has overseen several projects over last two years, including: City Hall Annex, for major renovations to City's fire and parks facilities; Kofu Park improvements, for new parking and pedestrian sidewalk; HA Washington Street improvements, for energy upgrades and siding repairs to affordable housing complex. Lastly, the City assisted Eden Housing with efforts to secure funding for development of an 80-unit, affordable senior housing project, which was completed in 2017.

HA is a public corporation with an operating budget of \$51M and 82 employees, and provides rental assistance to over 6,000 households in the county. HA has many development projects currently under way. It has 115 units of LIHTC housing with building delivery beginning January. Its next phase of 100 units are scheduled to close in March 2019. Between the two phases, project costs are roughly \$80M. HA has also partnered on a downtown 34-unit Stockton project. It recently closed a senior project in Manteca with the same developer partner for 48 units with 4% tax credits. HA has a \$3.5M award from BHS to produce 35 units of housing with MHSA funds. HA purchased new administrative headquarters where it is renovating 18,000 square feet and will produce 27 units of housing for BHS in a former HA buildings with 20 years of project-based subsidy. It has an 11-unit property in Stockton that will also be renovated. Plan check is under way for work to begin early 2019. Attached is a link from Sierra Vista project from June. https://www.youtube.com/watch?v=Pgw_I2WbxK8&t=4s .

10. Describe the services your organization currently delivers within the community. (2000 characters/5 points)

The City has provided years of service to its residents, including library, parks and recreation, police, fire, public works, building, planning, electric utility, transit service, water and waste services. Through its CDBG grant, the City funds agencies to provide additional services, such as fair housing, gang prevention, youth and family counseling, food distribution, and assistance for homelessness. Moreover, the City processed entitlements for 210 single-family homes, 80 senior low-income apartments (Cranes Landing), 156 market-rate apartments (Rubicon), and 143 senior living apartments (Revel). The City anticipates another 200 single-family homes and 156 multi-family units built in 2018-19.

HA provides rental assistance for over 6,000 households in the county, including Lodi. In Lodi, HA has 2 multi-family properties with a total of 8 units. It also provides tenant-based housing choice vouchers to 148 households in Lodi.

HA manages three migrant family farm labor housing developments for the Office of Migrant Services, a division of California Department of Housing and Community Development. A total of 97 units are located on Harney Lane adjacent to the city. This housing is available from March through the end of December of each year. Child care centers are provided for farmworkers at the sites.

Lodi House's transitional housing program provides counseling and shelter to women and children. Families have an opportunity to build a budget, manage savings account, and gain skills in life/home management.

Salvation Army provides emergency lodging, hot meals, and clothing. It also has an Adult Rehabilitation Center where clients are preparing to reenter the community.

Women's Center operates two undisclosed emergency shelters for victims of domestic violence and their children. Multiple services are provided along with therapy, parenting classes, case management, life skills training, and employment readiness.

11. Does the proposed project produce new units of low-barrier permanent housing or new units of low-barrier emergency shelter space, or provide new rental assistance for permanent housing? Please explain. (1000 characters/5 points)

This Project brings new units of permanent supportive housing to the Lodi community. This Project adds five affordable units with no obligation to participate in a program on-site, though supportive services will be offered by referring agencies. This is so the resident can continue to receive support and access the resources that have helped them grow in their independence. A resident's continued participation in support services, though limited, can help them further establish stability in their home and personal life. HA will provide housing choice vouchers so that the units maintain their affordability to tenants (no more than 30% of household income can be spent on rent; instead the voucher will cover the difference).

Permanent supportive housing is "an intervention that combines affordable housing assistance with voluntary support services to address the needs of chronically homeless people." It "can also increase housing stability and improve health." (Source: <https://endhomelessness.org/ending-homelessness/solutions/permanent-supportive-housing/>).

12. How many unduplicated clients will the proposed project serve (placed in shelter, permanent housing, etc.)? Please provide the ratio of cost per client served relative to HEAP funds requested and explain how you arrived at that ratio. (1500 characters/5 points)

Approximately three studios (420 sq. ft. each) and two one-bedroom units (588 sq. ft. each) will be provided. Studios house no more than two persons, and one-bedroom units house no more than three persons. Given that, 5 to 12 persons could be living on the Project site at one time. The City anticipates that all units will be full, given the City's three partnering agencies—Lodi House, Salvation Army, and Women's Center—will have a combined total of approximately 30 referrals per year. This is more than enough to fill the five units, and to create a waitlist. Should referrals drop, other local agencies will be considered. Also, every year a certain portion of residents (20%, or one resident per year) will likely move on to new housing. So, within a one-year period, anywhere from 6 to 15 residents will live at the property or an average of 11 residents.

In year one, the ratio of cost per clients served is 1 to \$150,038, by dividing \$1,650,442 total acquisition/construction project costs by average number of tenants over one year, $11 (6 + 15) / 2 = 11$). However, the cost per client in year and beyond two dramatically decreases due to the acquisition and construction cost being paid. The HA will continue to pay for management of the properties through the rent and vouchers, and no additional funds will be needed to cover the expenses.

13. Explain how this project will meet Communitywide System Performance Goals as adopted by the CoC HEAP Committee. See below for a list of these goals. (2000 characters/5 points)

CoC Goal #2: This PSH project will help reduce by 20% the number of persons who return to homelessness through the strategy of prevention. Individuals/families who move into the tiny homes will continue to have support services provided to them by the agencies that referred them. This will help them navigate through potential personal or financial crises that would otherwise cause them to lose housing but for this PSH project. Vouchers will also be provided to each household so that they can afford rent (paying up to 30% of their income for rent). Spending less on rent means people can continue to build savings and pay down debt. This will be measured by tracking where tenants plan to live when they leave (are they entering market-rate unit, using a tenant-based voucher, etc.).

CoC Goal #4: This Project will help tenants both increase their earned income from a job by 10% and increase their overall income by 65%. Their reduced rent creates affordable and more stable housing which in turn both allows tenants to keep/focus on a job long enough to strengthen/improve their skills, and helps them pay for/access transportation consistently so that they reliably get to work. Affordable rent will also help tenants save more cash for retirement, savings, or investing. This will be tracked by comparing employment income and overall income from the initial income verification compared to ongoing annual verifications.

CoC Goal #7: This PSH project will aim to have a housing stability measure of at least 85% by providing ongoing support and long-term housing for those that continue to income-qualify. This will be measured by looking at the number of current tenants, those moving on, and those staying in the units each year.

HA uses several tools to track the above including HUD 50058 form, annual income recertifications, and end of participation details.

14. Provide a timeline of how the proposed project will be delivered. Please explain how this timeline will be met by your organization and its capacity to spend all allocated funds within the HEAP timeline. (2000 characters/5 points)

The Project timeline is approximately 18 months, from January 2019 through June 2020. Beginning in January 2019, Lodi and its partners will enter into discussions and agreements regarding the HEAP grant. In March, HA will begin procurement of a design consultant. By the end of 2019, the plans and designs should be approved by City and the project should be out to bid for construction contractors. The City will submit its first HEAP report in January 2020. Site work will begin in early spring and construction should finish in May. Tenants should be able to move in soon after. Project cost reimbursement and closeout will then begin.

The City will generally oversee the project; however, HA will oversee project implementation from beginning to end, starting with design and when site is completed and tenants occupy the units. HA will continue to manage and maintain the property.

Existing FTE staff from Building, Planning, and Public Works Departments will cover entitlement and permit processes. Given the small number of units, no additional employees are anticipated. As for overall HEAP grant coordination, the City anticipates approximately 410 hours over the course of this project, which is the equivalent of 10% FTE each year for two years. The City has no problem bringing on staff/consultants to supplement staff as necessary. In the past, the City has quickly adjusted staffing needs to address capacity demands, and has consultant contractors readily available for such circumstances.

HA anticipates that the executive leadership team and a four-person construction/development team will have the existing capacity to take on implementation of this Project. No new hires are anticipated at this time.

The three referral agencies have stated that they will provide ongoing support services to those that they refer, and will not need additional HEAP or other grant funding, as they have sufficient funding currently to support this Project. (See Attachment)

15. Explain how the proposed project will continue after all HEAP funds are expended. (2000 characters/5 points)

This Project will continue with minimal to no issues once the funding has been expended. Funding will be used for the purchase of land, tiny houses, infrastructure, and installation of tiny houses. There are no expected costs for ongoing supportive services provided to the individual residents. Ongoing maintenance of the property and tiny houses will be addressed through the rental income and the property management company (provided by HA). Because the project will have no debt after HEAP funds are used to pay for all site and construction costs, the units are essentially operated without debt payments—thereby reducing the cost to maintain and manage the units to an amount feasibly supported by the housing choice voucher program, plus cost of income from rents.

16. Explain how the proposed project will operate if the project is awarded less than its requested funding total through HEAP. (1000 characters/0 points tiebreaker)

The ongoing costs to operate the tiny homes is based on the debt-free aspect of the Project. Should HEAP funds be insufficient to cover total Project costs, the City would obtain additional funding in order to maintain the debt-free model. The City may be able to apply for HUD grant funds. However, obtaining those supplemental funds would be essential to completing the total visions for this project. If those additional funds are not procured in time, the scope of the Project would be reduced and HEAP funds would be prioritized to first cover the purchase of the property, then site development, and lastly, the purchase and installation of tiny homes. Cutbacks may result in fewer tiny homes being installed, instead of the planned five; however, the City would continue fundraising until all five units could be installed.

AUTHORIZED SIGNATURE OF APPLICANT: TO THE BEST OF MY KNOWLEDGE AND BELIEF, ALL INFORMATION IN THIS APPLICATION IS TRUE AND CORRECT. THE DOCUMENT HAS BEEN DULY AUTHORIZED BY THE GOVERNING BODY OF THE APPLICANT WHO WILL COMPLY WITH ALL CONTRACTUAL OBLIGATIONS IF THE PROPOSAL IS AWARDED FUNDING. BY SIGNING BELOW, I HEREBY CERTIFY THAT THE AGENCY WILL COMPLY WITH ALL PROVISIONS OF THE STATE OF CALIFORNIA HOMELESS EMERGENCY AID PROGRAM, AS WELL AS ALL APPLICABLE FEDERAL, STATE AND LOCAL STATUTES AND ORDINANCES.

SIGNATURE OF AUTHORIZED REPRESENTATIVE: 
TYPED NAME: Stephen Schwabauer DATE SIGNED: November 16, 2018
TITLE: City Manager, City of Lodi

RESOLUTION NO. 2019-_____

A RESOLUTION OF THE LODI CITY COUNCIL ACCEPTING
THE SAN JOAQUIN CONTINUUM OF CARE HOMELESS
EMERGENCY AID PROGRAM (HEAP) GRANT; AND FURTHER
APPROPRIATING FUNDS

=====

WHEREAS, the City of Lodi has been awarded a \$1,250,000 Homeless Emergency Aid Program (HEAP) grant from the San Joaquin Continuum of Care (SJCoC); and

WHEREAS, the grant funds will be used to create approximately five tiny homes of permanent supportive housing for homeless individuals and families or those at risk of homelessness; and

WHEREAS, the City will enter into a Subrecipient Agreement with SJCoC, which includes a project description, budget, schedule, and grant requirements; and

WHEREAS, the assistance with grant implementation will be performed by City staff, consultant Michael Baker International, and Housing Authority of County of San Joaquin (Housing Authority); and

WHEREAS, the City will enter into an agreement with the SJCoC and Michael Baker International at a future date; and

WHEREAS, the services performed by Michael Baker International and Housing Authority will be in accordance with the scope of work and budget defined in the Subrecipient Agreement; and

WHEREAS, staff is recommending the City Council accept the HEAP grant funds from the San Joaquin Continuum of Care and appropriate the funds to an account established by the City of Lodi Finance Department in the amount of \$1,250,000.

NOW, THEREFORE, BE IT RESOLVED that the Lodi City Council does hereby accept the \$1,250,000 HEAP grant; and

BE IT FURTHER RESOLVED that the Lodi City Council does hereby approve the appropriation of funds as set forth above.

Dated: May 1, 2019

=====

I hereby certify that Resolution No. 2019-_____ was passed and adopted by the City Council of the City of Lodi in a regular meeting held May 1, 2019, by the following vote:

- AYES: COUNCIL MEMBERS –
- NOES: COUNCIL MEMBERS –
- ABSENT: COUNCIL MEMBERS –
- ABSTAIN: COUNCIL MEMBERS –

JENNIFER M. FERRAILOLO
City Clerk



CITY OF LODI COUNCIL COMMUNICATION

AGENDA TITLE: Adopt Resolution Authorizing City Manager to Execute Funding Documents with the California Department of Transportation for Allocation of Fiscal Year 2018/19 Low Carbon Transit Operations Program Funds

MEETING DATE: May 1, 2019

PREPARED BY: Public Works Director

RECOMMENDED ACTION: Adopt resolution authorizing City Manager to execute funding documents with the California Department of Transportation for allocation of Fiscal Year 2018/19 Low Carbon Transit Operations Program funds.

BACKGROUND INFORMATION: The Low Carbon Transit Operations Program (LCTOP) is one of several State funding programs that are part of the Transit, Affordable Housing, and Sustainable Communities Program established by California Legislature in 2014. The LCTOP was created to provide operating and capital assistance for transit agencies to reduce greenhouse gas emissions and improve mobility, with a priority on serving designated Disadvantaged Communities.

The LCTOP is administered by California Department of Transportation in coordination with California Air Resources Board and the State Controller's Office. Funds are distributed based on prior use of State Transit Assistance funds with 50 percent to the regional agencies, in our case, San Joaquin Council of Governments (SJCOG), and the other 50 percent to local transit operators. For the Fiscal Year 2018/19 LCTOP funding cycle, the City is eligible to receive \$5,488 in a direct allocation as a transit operator. In addition, SJCOG's regional allocation of \$1.4 million will be allocated among transit providers, with Lodi receiving \$79,456. This provides a total LCTOP allocation of \$84,944.

Staff proposes to utilize the City's Fiscal Year 2018/19 allocation of \$84,944 in LCTOP funds for fare subsidies. The fare subsidies will provide free and reduced transit fares to students and other transit-dependent citizens over a two-year period. An on-going marketing program will promote the project, with a focus on disadvantaged communities in the City. If successful, it is anticipated that ridership will increase by 20 percent after the two-year period.

To complete the application process and receive LCTOP funds, the City is required to submit several supporting documents approved by the City Council:

1. An "Authorized Agent" form to designate the City Manager, and/or designee, as signatory on any documents associated with obtaining and managing LCTOP funds.
2. The "Certification and Assurances," which contain general conditions of the LCTOP program as well as some additional cost principles and record retention requirements that are standard for other State-funded projects.
3. Project Allocation form acknowledging Lodi as the Lead Agency and SJCOG as the Contributing Sponsor of LCTOP funds.

APPROVED: _____
Stephen Schwabauer, City Manager

4. A Resolution adopted by Council approving all of the submittals on behalf of the LCTOP program.

FISCAL IMPACT: \$84,944 in LCTOP funds will be additional revenue to offset fares. There is no matching requirement and there is no impact to the General Fund.

FUNDING AVAILABLE: Staff anticipates receiving \$84,944 in LCTOP funds for use over a two-year period beginning in Fiscal Year 2019/20.

Charles E. Swimley, Jr.
Public Works Director

Prepared by Georgia Lantsberger, Transportation Manager
CES/GL/tdb
Attachments



FY 2018-2019 LCTOP
Authorized Agent

AS THE Mayor (on behalf of the City Council)
(Chief Executive Officer/Director/President/Secretary)

OF THE City of Lodi
(Name of County/City/Transit Organization)

I hereby authorize the following individual(s) to execute for and on behalf of the named Regional Entity/Transit Operator, any actions necessary for the purpose of obtaining Low Carbon Transit Operations Program (LCTOP) funds provided by the California Department of Transportation, Division of Rail and Mass Transportation. I understand that if there is a change in the authorized agent, the project sponsor must submit a new form. This form is required even when the authorized agent is the executive authority himself. I understand the Board must provide a resolution approving the Authorized Agent. The Board Resolution appointing the Authorized Agent is attached.

Stephen Schwabauer, City Manager OR
(Name and Title of Authorized Agent)

Charles E. Swimley, Jr., Public Works Director OR
(Name and Title of Authorized Agent)

Click here to enter text. OR
(Name and Title of Authorized Agent)

Click here to enter text. OR
(Name and Title of Authorized Agent)

Mark Chandler Mayor
(Print Name) (Title)

(Signature)

Approved this 1 day of May 2019



FY 2018-2019 LCTOP Certifications and Assurances

Lead Agency: City of Lodi

Project Title: Free and Reduced Fare Program

Prepared by: Georgia Lantsberger, Transportation Manager

The California Department of Transportation (Caltrans) has adopted the following Certifications and Assurances for the Low Carbon Transit Operations Program (LCTOP). As a condition of the receipt of LCTOP funds, Lead Agency must comply with these terms and conditions.

A. General

1. The Lead Agency agrees to abide by the current LCTOP Guidelines and applicable legal requirements.
2. The Lead Agency must submit to Caltrans a signed Authorized Agent form designating the representative who can submit documents on behalf of the project sponsor and a copy of the board resolution appointing the Authorized Agent.

B. Project Administration

1. The Lead Agency certifies that required environmental documentation is complete before requesting an allocation of LCTOP funds. The Lead Agency assures that projects approved for LCTOP funding comply with Public Resources Code § 21100 and § 21150.
2. The Lead Agency certifies that a dedicated bank account for LCTOP funds only will be established within 30 days of receipt of LCTOP funds.
3. The Lead Agency certifies that when LCTOP funds are used for a transit capital project, that the project will be completed and remain in operation for its useful life.
4. The Lead Agency certifies that it has the legal, financial, and technical capacity to carry out the project, including the safety and security aspects of that project.
5. The Lead Agency certifies that they will notify Caltrans of pending litigation, dispute, or negative audit findings related to the project, before receiving an allocation of funds.
6. The Lead Agency must maintain satisfactory continuing control over the use of project equipment and facilities and will adequately maintain project equipment and facilities for the useful life of the project.
7. Any interest the Lead Agency earns on LCTOP funds must be used only on approved LCTOP projects.
8. The Lead Agency must notify Caltrans of any changes to the approved project with a Corrective Action Plan (CAP).



FY 2018-2019 LCTOP

Certifications and Assurances

9. Under extraordinary circumstances, a Lead Agency may terminate a project prior to completion. In the event the Lead Agency terminates a project prior to completion, the Lead Agency must (1) contact Caltrans in writing and follow-up with a phone call verifying receipt of such notice; (2) pursuant to verification, submit a final report indicating the reason for the termination and demonstrating the expended funds were used on the intended purpose; (3) submit a request to reassign the funds to a new project within 180 days of termination.

C. Reporting

1. The Lead Agency must submit the following LCTOP reports:
 - a. Semi-Annual Progress Reports by May 15th and November 15th each year.
 - b. A Final Report within six months of project completion.
 - c. The annual audit required under the Transportation Development Act (TDA), to verify receipt and appropriate expenditure of LCTOP funds. A copy of the audit report must be submitted to Caltrans within six months of the close of the year (December 31) each year in which LCTOP funds have been received or expended.
 - d. Project Outcome Reporting as defined by CARB Funding Guidelines.
2. Other Reporting Requirements: CARB is developing Funding Guidelines that will include reporting requirements for all State agencies that receive appropriations from the Greenhouse Gas Reduction Fund. Caltrans and project sponsors will need to submit reporting information in accordance with CARB's Funding Guidelines, including reporting on greenhouse gas reductions and benefits to disadvantaged communities.

D. Cost Principles

1. The Lead Agency agrees to comply with Title 2 of the Code of Federal Regulations 225 (2 CFR 225), Cost Principles for State and Local Government, and 2 CFR, Part 200, Uniform Administrative Requirements for Grants and Cooperative Agreements to State and Local Governments.
2. The Lead Agency agrees, and will assure that its contractors and subcontractors will be obligated to agree, that:
 - a. Contract Cost Principles and Procedures, 48 CFR, Federal Acquisition Regulations System, Chapter 1, Part 31, et seq., shall be used to determine the allow ability of individual project cost items and
 - b. Those parties shall comply with Federal administrative procedures in accordance with 2 CFR, Part 200, Uniform Administrative Requirements for Grants and Cooperative Agreements to State and Local Governments. Every sub-recipient receiving LCTOP funds as a contractor or sub-contractor shall comply with



FY 2018-2019 LCTOP

Certifications and Assurances

Federal administrative procedures in accordance with 2 CFR, Part 200, Uniform Administrative Requirements for Grants and Cooperative Agreements to State and Local Governments.

3. Any project cost for which the Lead Agency has received funds that are determined by subsequent audit to be unallowable under 2 CFR 225, 48 CFR, Chapter 1, Part 31 or 2 CFR, Part 200, are subject to repayment by the Lead Agency to the State of California (State). All projects must reduce greenhouse gas emissions, as required under Public Resources Code section 75230, and any project that fails to reduce greenhouse gases shall also have its project costs subject to repayment by the Lead Agency to the State. Should the Lead Agency fail to reimburse moneys due to the State within thirty (30) days of demand, or within such other period as may be agreed in writing between the Parties hereto, the State is authorized to intercept and withhold future payments due the Lead Agency from the State or any third-party source, including but not limited to, the State Treasurer and the State Controller.

A. Record Retention

1. The Lead Agency agrees and will assure that its contractors and subcontractors shall establish and maintain an accounting system and records that properly accumulate and segregate incurred project costs and matching funds by line item for the project. The accounting system of the Lead Agency, its contractors and all subcontractors shall conform to Generally Accepted Accounting Principles (GAAP) and enable the determination of incurred costs at interim points of completion. All accounting records and other supporting papers of the Lead Agency, its contractors and subcontractors connected with LCTOP funding shall be maintained for a minimum of three (3) years after the "Project Closeout" report or final Phase 2 report is submitted (per ARB Funding Guidelines, Vol. 3, page 3.A-16), and shall be held open to inspection, copying, and audit by representatives of the State and the California State Auditor. Copies thereof will be furnished by the Lead Agency, its contractors, and subcontractors upon receipt of any request made by the State or its agents. In conducting an audit of the costs claimed, the State will rely to the maximum extent possible on any prior audit of the Lead Agency pursuant to the provisions of federal and State law. In the absence of such an audit, any acceptable audit work performed by the Lead Agency's external and internal auditors may be relied upon and used by the State when planning and conducting additional audits.
2. For the purpose of determining compliance with Title 21, California Code of Regulations, Section 2500 et seq., when applicable, and other matters connected with the performance



FY 2018-2019 LCTOP

of the Lead Agency's contracts with third parties pursuant to Government Code § 8546.7, the project sponsor, its contractors and subcontractors and the State shall each maintain and make available for inspection all books, documents, papers, accounting records, and other evidence pertaining to the performance of such contracts, including, but not limited to, the costs of administering those various contracts. All of the above referenced parties shall make such materials available at their respective offices at all reasonable times during the entire project period and for three (3) years from the date of final payment. The State, the California State Auditor, or any duly authorized representative of the State, shall each have access to any books, records, and documents that are pertinent to a project for audits, examinations, excerpts, and transactions, and the Lead Agency shall furnish copies thereof if requested.

- 3. The Lead Agency, its contractors and subcontractors will permit access to all records of employment, employment advertisements, employment application forms, and other pertinent data and records by the State Fair Employment Practices and Housing Commission, or any other agency of the State of California designated by the State, for the purpose of any investigation to ascertain compliance with this document.

F. Special Situations

Caltrans may perform an audit and/or request detailed project information of the project sponsor's LCTOP funded projects at Caltrans' discretion at any time prior to the completion of the LCTOP.

I certify all of these conditions will be met.

Stephen Schwabauer
(Print Authorized Agent)

City Manager
(Title)

(Signature)

(Date)

Approved as to Form:

JANICE D. MAGDICH
City Attorney 



FY 2018-2019 LCTOP Project Allocation

Lead Agency:	City of Lodi
Project Title:	Free and Reduced Fare Program
Regional	
Entity:	San Joaquin Council of Governments
County:	San Joaquin

Lead Agency: I certify the scope, cost, schedule, and benefits as identified in the attached Allocation Request (Request) and attachments are true and accurate and demonstrate a fully funded operable project. I understand the Request is subject to any additional restrictions, limitations or conditions that may be enacted by the State Legislature, including the State's budgetary process and/or auction receipts. In the event the project cannot be completed as originally scoped, scheduled and estimated, or the project is terminated prior to completion, Lead Agency shall, at its own expense, ensure that the project is in a safe and operable condition for the public. I understand this project will be monitored by the California Department of Transportation - Division of Rail and Mass Transportation.

Authorized Agent:	Stephen Schwabauer
Title:	City Manager
Lead Agency:	City of Lodi

Signature:	
PUC Funds Type:	99313 \$ 79,456
PUC Funds Type:	99314 \$ 5,488

Contributing Sponsor(s): The contributing sponsor is an entity that passes funds to the Lead Agency to support a project. The contributing sponsor could be the regional entity (PUC 99313) passing their funds to a recipient agency within their region or a recipient agency (PUC 99314) passing their funds through to either a regional entity or a recipient agency within their region. The contributing sponsor(s) must also sign and state the amount and type of LCTOP funds (PUC Sections 99313 and 99314) they are contributing the project. Sign below or attach a separate officially signed letter providing that information. If there is more than one contributing sponsor, please submit additional page, or a letter from the additional Contributing Sponsors.

Authorized Agent:	Ryan Cordero Niblock
Title:	Senior Regional Planner
Lead Agency:	San Joaquin Council of Governments

Signature:	
PUC Funds Type:	99313 \$ 79,456
PUC Funds Type:	99314 \$ 5,488

RESOLUTION NO. 2019-_____

A RESOLUTION OF THE LODI CITY COUNCIL AUTHORIZING THE CITY MANAGER TO EXECUTE CERTIFICATIONS AND ASSURANCES AND AUTHORIZED AGENT FORMS FOR THE LOW CARBON TRANSIT OPERATIONS PROGRAM FOR THE FOLLOWING PROJECT: FREE AND REDUCED FARE PROGRAM

WHEREAS, the City of Lodi is an eligible project sponsor and may receive State funding from the Low Carbon Transit Operations Program (LCTOP) for transit projects; and

WHEREAS, the statutes related to State-funded transit projects require a local or regional implementing agency to abide by various regulations; and

WHEREAS, Senate Bill 862 (2014) named the California Department of Transportation (Caltrans) as the administrative agency for the LCTOP; and

WHEREAS, the Department has developed guidelines for the purpose of administering and distributing LCTOP funds to eligible project sponsors (local agencies); and

WHEREAS, the City of Lodi wishes to delegate authorization to execute these documents and any amendments thereto to Stephen Schwabauer, City Manager; and

WHEREAS, the City of Lodi wishes to implement the following LCTOP project listed above.

NOW, THEREFORE, BE IT RESOLVED by the Lodi City Council that the fund recipient agrees to comply with all conditions and requirements set forth in the Certification and Assurances and the Authorized Agent documents and applicable statutes, regulations and guidelines for all LCTOP funded transit projects; and

BE IT FURTHER RESOLVED by the Lodi City Council that Stephen Schwabauer, City Manager, be authorized to execute all required documents of the LCTOP program and any Amendments thereto with the California Department of Transportation; and

BE IT FURTHER RESOLVED by the Lodi City Council that it hereby authorizes the submittal of the following project nomination and allocation request to California Department of Transportation in FY 2018-19 LCTOP funds:

Project Name:	Free and Reduced Fare Program
Amount of LCTOP funds requested:	\$84,944
Project Description:	Provide free and reduced fares to students and others in underserved areas of our community to encourage and increase ridership on the fixed route transit system.
Benefit to Priority Populations:	Free and reduced transit fares for students and transit-dependent citizens
Contributing Sponsors:	San Joaquin Council of Governments

Dated: May 1, 2019

I hereby certify that Resolution No. 2019-_____ was passed and adopted by the City Council of the City of Lodi in a regular meeting held May 1, 2019, by the following vote:

- AYES: COUNCIL MEMBERS –
- NOES: COUNCIL MEMBERS –
- ABSENT: COUNCIL MEMBERS –
- ABSTAIN: COUNCIL MEMBERS –

JENNIFER M. FERRAILOLO
City Clerk



TM

CITY OF LODI COUNCIL COMMUNICATION

AGENDA TITLE: Adopt Resolution Appropriating \$30,000 for Various Recreation Facility Repairs

MEETING DATE: May 1, 2019

PREPARED BY: Parks, Recreation and Cultural Services Director

RECOMMENDED ACTION: Adopt a resolution appropriating \$30,000 for various recreation facility repairs.

BACKGROUND INFORMATION: The Parks, Recreation and Cultural Services has many aging facilities in need of repair. Recently, PRCS was faced with several significant unforeseen expenses and the Parks and Hutchins Street Square maintenance budgets risk being stretched beyond their existing appropriations.

The requested appropriation would come from the PRCS fund balance (Account 200). The \$30,000 needed includes nearly \$7,700 for repairs to a sewage lift station that serves the north restroom at Lodi Lake Park, \$10,000 for State-required repairs and testing of elevators at Hutchins Street Square, and the Remaining \$12,300 for unforeseen expenses related to providing safe public spaces, such as emergency tree trimming and/or removal.

Staff requests the City Council adopt the attached resolution transferring \$30,000 from PRCS fund balance (Account No. 200.32205) and appropriating in Account No. 20072202.72499 (Parks Maintenance, Miscellaneous Contract Services).

FISCAL IMPACT: The City is subject to fines if it fails to perform the elevator work. Repairs to the lift station are needed to reduce the risk of sewage overflows and to ensure safe enjoyment of Lodi Lake Park. Other funds are needed to ensure safe public spaces.

FUNDING AVAILABLE: PRCS Fund 200.32205.

Andrew Keys
Deputy City Manager/Internal Services Director

Jeff Hood
Parks, Recreation, and Cultural Services Director

JH:tl

APPROVED: _____
Stephen Schwabauer, City Manager

RESOLUTION NO. 2019-_____

A RESOLUTION OF THE LODI CITY COUNCIL APPROPRIATING FUNDS FOR VARIOUS RECREATION FACILITY REPAIRS

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WHEREAS, Parks, Recreation and Cultural Services (PRCS) maintains many aging properties in various parks and Hutchins Street Square; and

WHEREAS, PRCS faces several unexpected high-cost repairs, including \$7,700 for a sewer lift station at Lodi Lake Park and \$10,000 for State-mandated repairs and testing of elevators at Hutchins Street Square; and

WHEREAS, the Parks and Hutchins Street Square maintenance budgets are limited under the existing Fiscal Year 2018/19 appropriation and may not have sufficient funding to complete these repairs before June 30, 2019; and

WHEREAS, being able to pay for contractor services is required to continue providing safe public spaces in parks and Hutchins Street Square.

NOW, THEREFORE, BE IT RESOLVED that the Lodi City Council does hereby appropriate \$30,000 for various recreational facility repairs in Account No. 20072202.72499 by transferring funds from Account No. 200.32205.

Dated: May 1, 2019

=====

I hereby certify that Resolution No. 2019-_____ was passed and adopted by the City Council of the City of Lodi in a regular meeting held May 1, 2019, by the following vote:

- AYES: COUNCIL MEMBERS –
- NOES: COUNCIL MEMBERS –
- ABSENT: COUNCIL MEMBERS –
- ABSTAIN: COUNCIL MEMBERS –

JENNIFER M. FERRAIOLO
City Clerk



**CITY OF LODI
COUNCIL COMMUNICATION**

TM

AGENDA TITLE: Post for Vacancy on the Lodi Senior Citizens Commission
MEETING DATE: May 1, 2019
PREPARED BY: City Clerk

RECOMMENDED ACTION: Post for vacancy on the Lodi Senior Citizens Commission.

BACKGROUND INFORMATION: Due to a recent resignation, there is one vacancy on the Lodi Senior Citizens Commission. It is recommended that the City Council direct the City Clerk to post for this vacancy for a 30-day period.

Government Code Section 54970 et seq. requires that the City Clerk post for vacancies to allow citizens interested in serving to submit an application.

POSTING:

Lodi Senior Citizens Commission

Julie Whiteley Term to expire December 31, 2020

FISCAL IMPACT: Not applicable.

FUNDING AVAILABLE: Not applicable.

Jennifer M. Ferraiolo
City Clerk

JMF/PMF

APPROVED: _____
Stephen Schwabauer, City Manager



CITY OF LODI COUNCIL COMMUNICATION

TM

AGENDA TITLE: Adopt Resolution Declaring Intention to Annex Territory (Vineyard Terrance Subdivision) to Community Facilities District No. 2007-1 (Public Services) and to Levy a Special Tax to Pay for Certain Public Services (Annexation No. 8); and Setting Public Hearing for June 19, 2019

MEETING DATE: May 1, 2019

PREPARED BY: Public Works Director

RECOMMENDED ACTION: Adopt resolution declaring intention to annex territory (Vineyard Terrance Subdivision) to Community Facilities District No. 2007-1 (Public Services) and to levy a special tax to pay for certain public services (Annexation No. 8); and setting public hearing for June 19, 2019.

BACKGROUND INFORMATION: The resolution, if adopted by the City Council, will begin the process to annex three parcels (to be subdivided into a total of 235 single-family lots), into the City of Lodi Community Facilities District No. 2007-1 (Public Services) (CFD). The boundary of the annexation is shown in Attachment A and includes APN 058-140-12, 058-140-14, and 058-140-52, located on Lower Sacramento Road, north of Century Boulevard. Approved tentative map conditions required the private landowners to cooperate in the annexation of those parcels into the CFD, the purpose of which is to offset a portion of the costs caused by new developments.

The resolution establishes, among other things, the City's intent to approve Annexation No. 8 to the CFD, which includes the levy of a special tax to pay for public services and related costs. The resolution calls for a public hearing on June 19, 2019, at which time interested parties may comment upon the annexation to the CFD.

Exhibit A to the Resolution contains the description of the services to be provided as presented below:

- (a) Police protection services, including, but not limited to, criminal justice services. However, criminal justice services shall be limited to providing services for jails, detention facilities, and juvenile halls; and
- (b) Fire protection and suppression services, and ambulance and paramedic services; and
- (c) Maintenance of parks, parkways, and open space; and
- (d) Flood and storm protection services, including, but not limited to, the operation and maintenance of storm drainage systems, and sandstorm protection systems; and
- (e) Services with respect to removal or remedial action for the cleanup of any hazardous substance released or threatened to be released into the environment.

Exhibit B to the resolution is the special tax formula entitled "Amendment to Rate, Method of Apportionment, and Manner of Collection of Special Tax." The special tax, established in 2015, provides for an annual tax of \$500 for single-family units (increased two percent per year) and \$145 for multi-family units (increased two percent per year). Certain properties, such as governmental property and

APPROVED: _____
Stephen Schwabauer, City Manager

undeveloped property, are not subject to the special tax program. The special taxes may not be prepaid. The special tax shall be levied in perpetuity.

Exhibit C to the resolution is the form of the Notice of Public Hearing that will be published and posted calling for a public hearing to be held by the City Council. Following that public hearing, the City Council will be in a position to approve a separate, future resolution that will form the CFD and will call the election for the CFD.

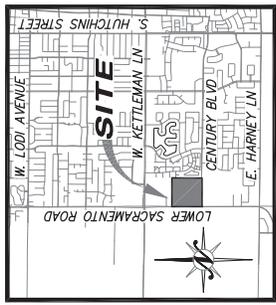
FISCAL IMPACT: Administration of the CFD shall be paid from the special taxes collected within the CFD. The developer has paid the City for all costs to establish the CFD. The estimated annual revenues at buildout of these projects will amount to approximately \$130,000.

FUNDING AVAILABLE: Not applicable.

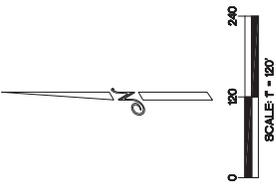
Charles E. Swimley, Jr.
Public Works Director

CES/LC/tdb
Attachment

cc: Lyman Chang, Deputy Public Works Director/City Engineer
Janice D. Magdich, City Attorney
Deputy City Manager
Assistant Engineer Kiriu
K. Hovnanian Homes



VICINITY MAP
N.T.S.



LEGEND:

— PROPOSED ANNEXATION BOUNDARY

○ 058-140-12 ASSESSOR'S PARCEL NO. INCLUDED IN ANNEXATION

FILED IN THE OFFICE OF THE CITY CLERK THIS _____ DAY OF _____, 2019.

JENNIFER M. FERRAILOLO, CITY CLERK
CITY OF LODI

I HEREBY CERTIFY THAT THE WITHIN MAP SHOWING PROPOSED BOUNDARIES OF ANNEXATION NO. 8 TO COMMUNITY FACILITIES DISTRICT NO. 2007-1 (PUBLIC SERVICES), CITY OF LODI, COUNTY OF SAN JOAQUIN, STATE OF CALIFORNIA, WAS APPROVED BY THE CITY COUNCIL OF THE CITY OF LODI AT A REGULAR MEETING THEREOF, HELD ON THE _____ DAY OF _____, 2019, BY ITS RESOLUTION NO. _____.

JENNIFER M. FERRAILOLO, CITY CLERK
CITY OF LODI

FILED THIS _____ DAY OF _____, 2019, AT THE HOUR OF _____ O'CLOCK
M. IN BOOK _____ OF MAPS OF ASSESSMENT AND COMMUNITY FACILITIES DISTRICTS, PAGE _____
IN THE OFFICE OF THE COUNTY RECORDER IN THE COUNTY OF SAN JOAQUIN, STATE OF CALIFORNIA.

STEVE J. BESTOLARIDES, COUNTY RECORDER
COUNTY OF SAN JOAQUIN, STATE OF CALIFORNIA

REFERENCE IS MADE TO THAT AMENDED BOUNDARY MAP OF COMMUNITY FACILITIES DISTRICT NO. 2007-1 (PUBLIC SERVICES) OF THE CITY OF LODI RECORDED WITH THE SAN JOAQUIN COUNTY RECORDER'S OFFICE BY MAP NO. 2007-07640Z AND TO THAT AMENDED BOUNDARY MAP OF COMMUNITY FACILITIES DISTRICTS, PAGE 13, AS DOCUMENT NO. 2007-07640Z.

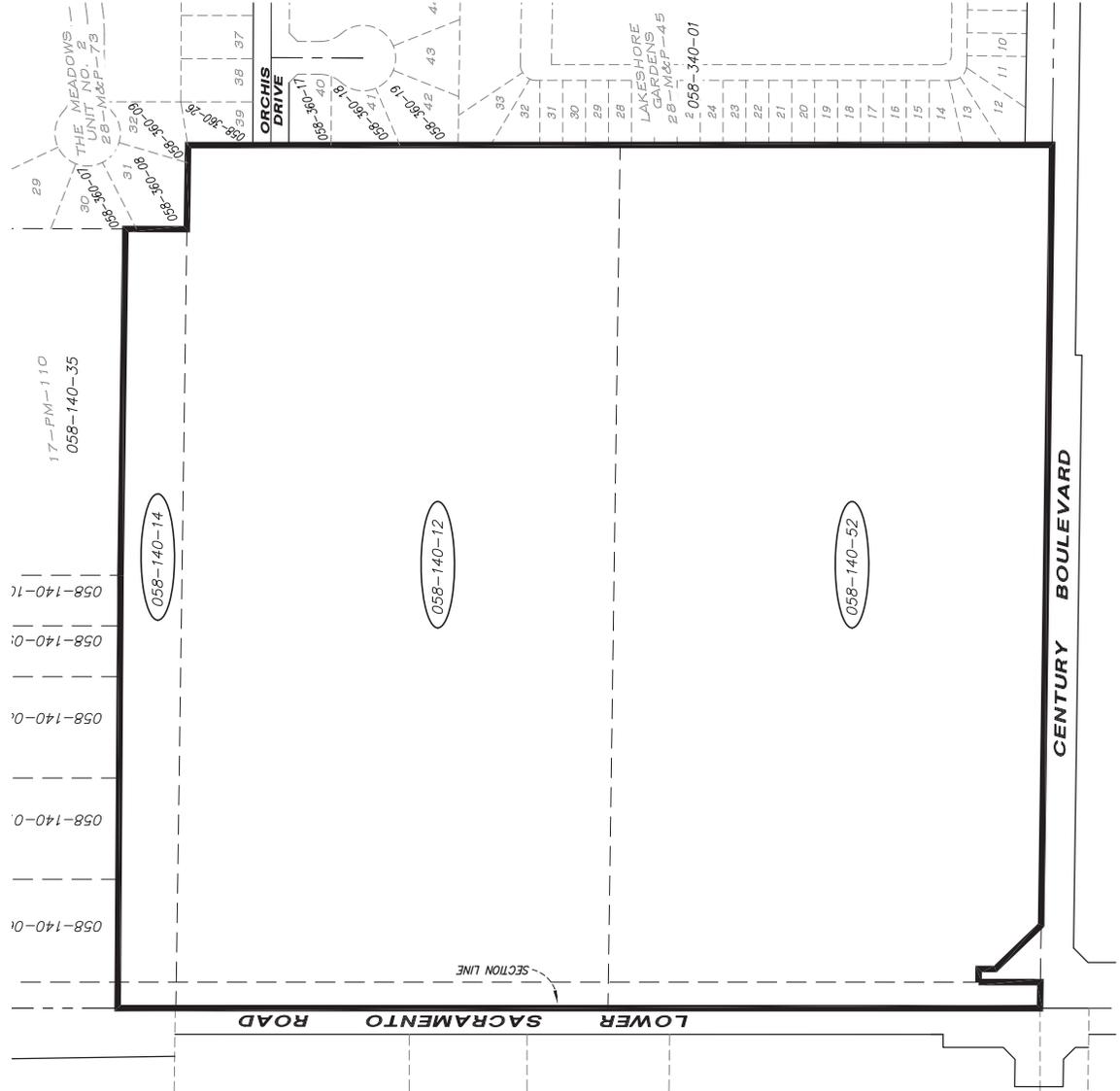
THE LINES AND DIMENSIONS OF EACH LOT OR PARCEL SHOWN ON THIS DIAGRAM SHALL BE THOSE LINES AND DIMENSIONS AS SHOWN ON THE SAN JOAQUIN COUNTY ASSESSORS MAPS FOR THE PARCELS LISTED. THE SAN JOAQUIN COUNTY ASSESSORS MAPS SHALL GOVERN FOR ALL DETAILS CONCERNING THE LINES AND DIMENSIONS OF SUCH LOTS OR PARCELS.

ANNEXATION MAP NO. 8 COMMUNITY FACILITIES DISTRICT NO. 2007-1 (PUBLIC SERVICES)

CITY OF LODI, SAN JOAQUIN COUNTY
STATE OF CALIFORNIA

NORTHSTAR ENGINEERING GROUP, INC.
620 12th Street, Modesto, CA 95354
(209) 524-3525

ATTACHMENT A



RESOLUTION NO. 2019-_____

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LODI
DECLARING ITS INTENTION TO ANNEX TERRITORY TO
COMMUNITY FACILITIES DISTRICT NO. 2007-1 (PUBLIC SERVICES)
AND TO LEVY A SPECIAL TAX TO PAY FOR
CERTAIN PUBLIC SERVICES AND CALLING A PUBLIC HEARING
(Annexation No. 8)

=====

WHEREAS, pursuant to the Mello-Roos Community Facilities Act of 1982, as amended (the “Act”), the City Council (the “City Council”) of the City of Lodi (the “City”), on April 4, 2007 approved Resolution No. 2007-59 establishing the City of Lodi Community Facilities District No. 2007-1 (Public Services) (the “CFD”); and

WHEREAS, the City Council called a special election for April 11, 2007, at which the questions of levying a special tax and establishing an appropriations limit with respect to the CFD were submitted to the qualified electors within the CFD; and

WHEREAS, on May 2, 2007, the City Council adopted Resolution No. 2007-82 determining the results of the special election and finding that more than two-thirds (2/3) of all votes cast at the special election were cast in favor of the proposition presented, and such proposition passed; and

WHEREAS, the City Council has determined, because of the proposed development of certain property within the City, to initiate proceedings for the annexation of such property to the CFD in accordance with the Act.

NOW, THEREFORE BE IT RESOLVED by the City Council of the City of Lodi that:

Section 1. Description of Territory to be Annexed. Public convenience and necessity require, and this City Council proposes and intends, that the City annex certain territory to the CFD. The territory to be annexed is described in a map entitled “Annexation Map No. 8 Community Facilities District No. 2007-1 (Public Services), City of Lodi, San Joaquin County, State of California” which is on file with the City Clerk. The City Clerk is hereby authorized and directed to endorse the certificates set forth on the map and to record the map in accordance with the provisions of Section 3111 of the Streets and Highways Code of the State of California.

Section 2. Description of Territory Included in Existing CFD. The boundaries of the territory currently included in the CFD are described (i) in a map entitled “Amended Map of Community Facilities District No. 2007-1 (Public Services), City of Lodi, County of San Joaquin,” recorded on April 19, 2007 in Book 5 of Assessment Maps at Page 13 in the Office of the San Joaquin County Recorder, (ii) in a map entitled “Annexation Map No. 1 Community Facilities District No. 2007-1 (Public Services), City of Lodi, San Joaquin County, State of California” recorded on June 25, 2014 in Book 6 of Assessment Maps at Page 54 in the Office of the San Joaquin County Recorder, (iii) in a map entitled “Annexation Map No. 2 Community Facilities District No. 2007-1 (Public Services), City of Lodi, San Joaquin County, State of California” on file with the City Clerk and recorded in the Office of the San Joaquin County Recorder, (iv) in a map entitled “Annexation Map No. 3 Community Facilities District No. 2007-1 (Public Services), City of Lodi, San Joaquin County, State of California” recorded on September 29, 2015 in Book 6 of Assessment Maps at Page 69 on file with the City Clerk and recorded in the Office of the

San Joaquin County Recorder; (v) in a map entitled “Annexation Map No. 4 Community Facilities District No. 2007-1 (Public Services), City of Lodi, San Joaquin County, State of California” recorded on July 20, 2016, in Book 6 of Assessment Maps at Page 87 on file with the City Clerk and recorded in the Office of the San Joaquin County Recorder; (vi) in a map entitled “Annexation Map No. 5 Community Facilities District No. 2007-1 (Public Services), City of Lodi, San Joaquin County, State of California” recorded on March 1, 2017, in Book 6 of Assessment Maps at Page 93 on file with the City Clerk and recorded in the Office of the San Joaquin County Recorder; (vii) in a map entitled “Annexation Map No. 6 Community Facilities District No. 2007-1 (Public Services), City of Lodi, San Joaquin County, State of California” recorded on March 21, 2018, in Book 6 of Assessment Maps at Page 115 on file with the City Clerk and recorded in the Office of the San Joaquin County Recorder, and (viii) in maps entitled “Annexation Map No. 7 Community Facilities District No. 2007-1 (Public Services), City of Lodi, San Joaquin County, State of California” on file with the City Clerk and recorded in the office of the San Joaquin County Recorder on (a) July 11, 2018, in Book 6 of Assessment Maps, at Page 128, (b) July 12, 2018, in Book 6 of Assessment Maps, at Page 130, and (c) July 12, 2018, in Book 6 of Assessment Maps, at Page 131.

Section 3. Specification of the Type of Services Provided. The type of services to be provided in the territory proposed to be annexed to the CFD is the same as that provided in the existing CFD and are more particularly described in Exhibit A attached hereto. The cost of providing Services includes “incidental expenses,” which include costs associated with the creation of the District, determination of the amount of special taxes, collection or payment of special taxes, or costs otherwise incurred in order to carry out the authorized purposes of the District. The services authorized to be financed by the CFD are in addition to those currently provided in the territory of the CFD and do not supplant services already available within that territory.

Section 4. Plan for Providing Services. The public services that are financed by taxes collected in the CFD will be provided to residents of the current CFD and residents of the territory proposed to be annexed on the same basis.

Section 5. Specification of Special Taxes to be Levied. Except where funds are otherwise available, a special tax sufficient to pay for all services (including incidental expenses) to be provided in or for the territory to be annexed and secured by a continuing lien against all nonexempt real property in the CFD will be annually levied within the territory proposed to be annexed to the CFD. The rate, method of apportionment, and manner of collection of such special tax is set forth in Exhibit B hereto (the “Special Tax Formula”). For purposes of the Special Tax Formula, the territory proposed to be annexed to the CFD will be designated as Annexation No. 8.

Section 6. No Alteration of the Special Tax Levied in the Existing Community Facilities District. The City Council does not propose to alter the special tax rate levied within the existing CFD as a result of the proposed annexation.

Section 7. Public Hearing. The City Council hereby fixes 7:00 p.m., or as soon thereafter as practicable, on Wednesday, June 19, 2019, at the regular meeting place of the City Council, Carnegie Forum, 305 West Pine Street, Lodi, California, as the time and place for a public hearing on the annexation of territory to the CFD.

Section 8. Notice of Hearing. The City Council directs the City Clerk to publish a notice of the hearing, in substantially the form attached hereto as Exhibit C, once not later than seven days prior to the date fixed for the hearing, in a newspaper of general circulation published in the area of the CFD.

Section 9. Effective Date. This Resolution shall take effect immediately upon its passage.

Dated: May 1, 2019

=====

I hereby certify that Resolution No. 2019-____ was passed and adopted by the Lodi City Council in a regular meeting held May 1, 2019, by the following vote:

AYES: COUNCIL MEMBERS –

NOES: COUNCIL MEMBERS –

ABSENT: COUNCIL MEMBERS –

ABSTAIN: COUNCIL MEMBERS –

Mark Chandler, Mayor

ATTEST:

APPROVED AS TO FORM:

Jennifer M. Ferraiolo, City Clerk

Janice D. Magdich, City Attorney

2019-____

EXHIBIT A

DESCRIPTION OF SERVICES

- (a) Police protection services, including, but not limited to, criminal justice services. However, criminal justice services shall be limited to providing services for jails, detention facilities, and juvenile halls.
- (b) Fire protection and suppression services, and ambulance and paramedic services.
- (c) Maintenance of parks, parkways, and open space.
- (d) Flood and storm protection services, including, but not limited to, the operation and maintenance of storm drainage systems, and sandstorm protection systems.
- (e) Services with respect to removal or remedial action for the cleanup of any hazardous substance released or threatened to be released into the environment.
- (f) Incidental services associated with the creation of the District, determination of the amount of special taxes, collection or payment of special taxes, or costs otherwise incurred in order to carry out the authorized purposes of the District.

EXHIBIT B
RATE AND METHOD OF APPORTIONMENT

CITY OF LODI

COMMUNITY FACILITIES DISTRICT NO. 2007-1

(PUBLIC SERVICES)

RATE AND METHOD OF APPORTIONMENT (RMA) OF SPECIAL TAX

A Special Tax applicable to each Assessor's Parcel in Community Facilities District (CFD) No. 2007-1 (Public Services) shall be levied and collected according to the tax liability determined by the City Council acting in its capacity as the legislative body of CFD No. 2007-1, through the application of the appropriate Special Tax rate, as described below. All of the property in the CFD, unless exempted by law or by the provisions of Section E below, shall be taxed for the purposes, to the extent, and in the manner herein provided, including property subsequently annexed to the CFD unless a separate RMA is adopted for the annexation area.

A. DEFINITIONS

The terms hereinafter set forth have the following meanings:

“Accessory Dwelling Unit” means a second residential unit of limited size (i.e., granny cottage, second unit) that shares a Parcel with a Single Family Unit.

“Administrative Expenses” means any or all of the following: the expenses of the City in carrying out its duties for the CFD, including, but not limited to, the levy and collection of the Special Tax, the fees and expenses of its counsel, charges levied by the County, and all other costs and expenses of the City in any way related to the establishment or administration of the CFD.

“Administrator” means the person(s) or firm designated by the City to administer the Special Taxes according to this RMA.

“Assessor's Parcel” or **“Parcel”** means a lot or parcel shown in an Assessor's Parcel Map with an assigned Assessor's Parcel number.

“Assessor's Parcel Map” means an official map of the County Assessor designating parcels by Assessor's Parcel number.

“Authorized Services” means the public services authorized to be funded by the CFD as set forth in the documents adopted by the City Council when the CFD was formed.

“CFD No. 2007-1” or **“CFD”** means the City of Lodi Community Facilities District No. 2007-1 (Public Services).

“City” means the City of Lodi.

“City Council” means the City Council of the City of Lodi.

“**County**” means the County of San Joaquin.

“**Fiscal Year**” means the period starting on July 1 and ending on the following June 30.

“**Maximum Special Tax**” means the maximum Special Taxes determined in accordance with Section C below that can be levied on Single Family Property and Multi-Family Property in any Fiscal Year.

“**Multi-Family Property**” means, in any Fiscal Year, all Parcels in the CFD for which final building permit inspections were conducted prior to January 1 of the preceding Fiscal Year, but not prior to January 1, 2015, for construction of Multi-Family Units.

“**Multi-Family Unit**” means an individual residential unit within a structure with three or more residential units that share a single Assessor’s Parcel number, all of which are offered for rent to the general public and cannot be purchased by individual homebuyers. Residential units located above commercial establishments that are available exclusively for rent and cannot be purchased by individual owners shall also be characterized as Multi-Family Units for purposes of this RMA.

“**RMA**” means this Rate and Method of Apportionment.

“**Single Family Property**” means, in any Fiscal Year, all Parcels in the CFD for which final building permit inspections were conducted prior to January 1 of the preceding Fiscal Year, but not prior to January 1, 2015, for construction of Single Family Units.

“**Single Family Unit**” means an individual single family detached residential unit or an individual residential unit within a half-plex, duplex, triplex, fourplex, townhome, condominium, or other structure with attached residential units that are available for sale to individual buyers, whether or not such a unit is ultimately offered for rent by an individual buyer. For-sale residential units located above commercial establishments shall also be categorized as Single Family Units for purposes of this RMA.

“**Special Tax**” means any tax levied within the CFD to pay the Special Tax Requirement.

“**Special Tax Requirement**” means the amount of revenue needed in any Fiscal Year to pay for the following: (i) Authorized Services, (ii) Administrative Expenses, and (iii) amounts needed to cure any delinquencies in the payment of Special Taxes which have occurred or, based on delinquency rates in prior years, may be expected to occur in the Fiscal Year in which the tax will be collected.

“**Taxable Property**” means both Single Family Property and Multi-Family Property.

DATA FOR ANNUAL TAX LEVY

Each Fiscal Year, the Administrator shall identify the current Assessor’s Parcel number for all Parcels of Taxable Property within the CFD. The Administrator shall also determine the number of Single Family and Multi-Family Units built or to be built on each Parcel of Taxable Property by referencing the building permit, condominium plan, apartment plan, site plan, or other development plan for the property.

In any Fiscal Year, if it is determined that (i) a parcel or subdivision map for a portion of property in the CFD was recorded after January 1 of the preceding Fiscal Year (or any other date after which the Assessor will not incorporate the newly-created Parcels into the then current tax roll), (ii) because of the date the parcel or subdivision map was recorded, the Assessor does not yet recognize the new Parcels created by the parcel or subdivision map, and (iii) one or more of the newly-created Parcels meets the definition of Taxable Property, the Administrator shall calculate the Special Tax for the property affected by recordation of the parcel or subdivision map by determining the Special Tax that applies separately to each Parcel of Taxable Property, then applying the sum of the individual Special Taxes to the original Parcel that was subdivided by recordation of the parcel or subdivision map.

MAXIMUM SPECIAL TAX

The Maximum Special Tax for all Parcels of Taxable Property within the CFD shall be \$500 per Single Family Unit and \$145.83 per Multi Family Unit for Fiscal Year 2015-2016. Beginning July 1, 2016 and each July 1 thereafter, the Maximum Special Tax in effect in the prior Fiscal Year shall be increased by two percent (2%).

METHOD OF LEVY AND COLLECTION OF SPECIAL TAX

Each Fiscal Year, the Special Tax shall be levied proportionately on each Parcel of Taxable Property in the CFD up to 100% of the Maximum Special Tax determined pursuant to Section C above until the total amount levied is equal to the Special Tax Requirement for the Fiscal Year.

The Special Tax for the CFD shall be collected at the same time and in the same manner as ordinary ad valorem property taxes provided, however, that the City may (under the authority of Government Code Section 53340) collect Special Taxes at a different time or in a different manner if necessary to meet CFD No. 2007-1 financial obligations, and the Special Tax shall be equally subject to foreclosure if delinquent.

LIMITATIONS

Notwithstanding any other provision of this RMA, no Special Tax shall be levied on Parcels within the CFD that are not Single Family Property or Multi-Family Property. Furthermore, Accessory Dwelling Units shall not be counted in determining the Special Tax to be levied on the Parcels on which such units are located.

INTERPRETATION OF SPECIAL TAX FORMULA

The City reserves the right to make minor administrative and technical changes to this document that do not materially affect the rate and method of apportioning Special Taxes. In addition, the interpretation and application of any section of this document shall be left to the City's discretion. Interpretations may be made by the City by ordinance or resolution for purposes of clarifying any vagueness or ambiguity in this RMA.

EXHIBIT C

**NOTICE OF PUBLIC HEARING ON RESOLUTION OF INTENTION TO ANNEX TERRITORY
TO AN EXISTING COMMUNITY FACILITIES DISTRICT**

NOTICE IS HEREBY GIVEN that the City Council of the City of Lodi on May 1, 2019, adopted its Resolution No. _____, in which it declared its intention to annex territory to existing Community Facilities District No. 2007-1 (Public Services) (the "CFD"), and to levy a special tax to pay for certain public services, all pursuant to the provisions of the Mello Roos Community Facilities Act of 1982, Chapter 2.5, Part 1, Division 2, Title 5 of the California Government Code. The resolution describes the territory to be annexed, specifies the type of services to be financed, and describes the rate and method of apportionment of the proposed special tax. No change in the tax levied in the existing CFD is proposed. For further details, the resolution is available at the office of the City Clerk, City Hall, 221 W. Pine Street, Lodi, California.

NOTICE IS HEREBY FURTHER GIVEN that the City Council has fixed June 19, 2019, at the hour of 7:00 p.m., or as soon thereafter as the matter may be heard, at the regular meeting place of the City Council, Carnegie Forum, 305 W. Pine Street, Lodi, California, as the time and place when and where the City Council will hold a public hearing to consider the annexation. At the hearing, the testimony of all interested persons for or against the annexation of the territory or the levying of the special taxes will be heard.

DATED: _____

Jennifer M. Ferraiolo, City Clerk, City of Lodi



CITY OF LODI COUNCIL COMMUNICATION

TM

AGENDA TITLE: Set Public Hearing for May 15, 2019, to Consider Adopting a Resolution Approving the Planning Commission's Recommendation to Authorize Nine Low-Density Residential Growth Management Allocations for the Bennett – Iris Drive Subdivision

MEETING DATE: May 1, 2019

PREPARED BY: Community Development Director

RECOMMENDED ACTION: Set public hearing for May 15, 2019, to consider adopting a resolution approving the Planning Commission's recommendation to authorize nine Low-Density Residential Growth Management Allocations for the Bennett – Iris Drive Subdivision.

BACKGROUND INFORMATION: As part of the City's Growth Management program, the Planning Commission reviews allocation requests for new housing developments. Following a public hearing, the Commission makes a recommendation for City Council consideration.

On April 10, 2019, the Planning Commission held a public hearing regarding the 2019 Residential Growth Management Development Allocation. At this hearing the Planning Commission reviewed a request by Dennis Bennett for nine Low-Density Residential Growth Management Allocations for the Bennett – Iris Drive Subdivision, a two-acre nine-lot subdivision. The Commission voted 6-0 to recommend the City Council approve the applicant's request.

FISCAL IMPACT: Not applicable.

FUNDING AVAILABLE: Not applicable.

Stephen Schwabauer
Community Development Director

APPROVED: _____
Stephen Schwabauer, City Manager



CITY OF LODI COUNCIL COMMUNICATION

AGENDA TITLE: Public Hearing to Consider Adopting a Resolution Approving the Final 2019-23 Consolidated Plan and 2019-20 Annual Action Plan for the Community Development Block Grant (CDBG) Program

MEETING DATE: May 1, 2019

PREPARED BY: CDBG Program Specialist

RECOMMENDED ACTION: Conduct a public hearing to consider adopting a resolution approving the final 2019-23 Consolidated Plan and 2019-20 Annual Action Plan for the Community Development Block Grant (CDBG) program.

BACKGROUND INFORMATION: A public hearing is required as part of the federal requirements under the U.S. Department of Housing and Urban Development (HUD) for the CDBG program.

Overview

The overall goal of the CDBG program is to serve low- and moderate-income persons by developing viable urban communities through the following actions: providing decent housing; providing a suitable living environment; and expanding economic opportunities.

The 2019-23 Consolidated Plan is a five-year planning document that sets forth the priority needs and goals for the CDBG program, and contains the 2019-20 Annual Action Plan. The Consolidated Plan outlines the actions to be undertaken in the next five years, in relation to capital improvements, economic development, public services, infrastructure improvements, housing, homelessness, special needs, and various other community development type activities, which are identified by the City and the community. The 2019-20 Annual Action Plan presents a detailed description of the activities proposed for the 2019-20 CDBG program year, as well as the CDBG budget and goals for that year.

The process of developing the 2019-23 Consolidated Plan has involved a significant amount of community outreach and public involvement. Outreach included the distribution and collection of a community needs survey, a workshop focused on informing the public of CDBG funding and community needs, consultations with local organizations and stakeholders, Lodi Improvement Committee meetings that encouraged citizen participation and public comment, and a 30-day public review period for the draft Consolidated and Annual Plan documents, as well as public hearings to allow for public feedback after the approval of the draft 2019-23 Consolidated Plan and 2019-20 Annual Action Plan.

The information gathered through the outreach process pertaining to community needs and public comment was then combined with a review of demographic and economic data sets, analyzed and assessed, and developed into a Needs Assessment and Housing Market Analysis which are

APPROVED: _____
Stephen Schwabauer, City Manager

contained within the Consolidated Plan. Once completed, these two sections form the basis of the Strategic Plan section, which details City goals for addressing priority needs over the next five years.

2019-23 Consolidated Plan Priority Needs and Goals

Based on community outreach, data collection, and analysis of housing, socioeconomic, and infrastructure characteristics, the City proposes 11 priority needs for the 2019-23 Consolidated Plan cycle:

- **Safe Neighborhoods**
- **Park Improvements**
- **Public Facilities**
- **Public Infrastructure**
- **Affordable Housing**
- **Children**
- **Youth**
- **Seniors**
- **Persons with Disabilities**
- **Single-parent Families**
- **Homelessness**

Staff took into consideration the opinions of residents, community stakeholders, community-based organizations, the Lodi Improvement Committee, City staff, and various other professional and influential members of the community to decide on goals that would best address the identified priority needs. The result was the creation of seven primary goals that would be the focus over the next five years:

Develop Safe and Healthy Neighborhoods

- Develop safe, healthy, and secure neighborhoods within CDBG Target Area (e.g., neighborhood watch groups, street lighting, traffic-calming methods, traffic signals, street or private home cameras)

Improve Public Spaces

- Improve public spaces within CDBG Target Area (e.g., community gardens, park cleanups, street cleaning, street surface improvements, alley improvements, and park improvements for youth activities such as soccer fields)

Address Dilapidated Conditions

- Address dilapidated conditions to improve neighborhoods within CDBG Target Area (e.g., critical repair program, code enforcement, housing rehabilitation, graffiti abatement)

Improve Access

- Improve access to public facilities and infrastructure for disabled, seniors, and low-income families (e.g., transportation, ADA accessibility, sidewalk improvements)

Improve Housing Access and Affordability

- Improve housing opportunities, accessibility, affordability, and sustainability (e.g., fair housing, rehabilitate affordable housing units, create new affordable housing units, homeless housing)

Build Capacity

- Build capacity, leadership, and connections within the CDBG Target Area (e.g., ABCD program)

Support Programs for Priority Populations

- Support programs or projects that assist lower-income children, youth, seniors, and single-parent families, and that assist the extremely low-income population (e.g., after-school recreation, homework help, gang prevention, mental health services, homeless services, childcare)

Annual Action Plan

The 2019-20 Annual Action Plan is the first of five annual action plans for the 2019-23 CDBG program period; it is incorporated into the five-year Consolidated Plan and includes the budget for the program year, as well as the proposed projects and estimated allocations for each project.

In December 2018, the City released a Notice of Funding Availability (NOFA) to solicit projects for the 2019-20 program year. The City received 10 project applications from community-based organizations, requesting over \$150,952 in social service-type activities, \$22,841 in planning and administration for fair housing-related projects, and approximately \$112,510 in capital improvement projects. To help facilitate the application process and develop an outline of community needs, the Lodi Improvement Committee (LIC) held a public meeting on January 2, 2019, which acted as a workshop on NOFA for applicants and helped assess community needs and priorities. The LIC and City consultant evaluated these applications using a scoring matrix intended to provide a standard measurement and empirical analysis. Each application was rated on a grading scale with a maximum of 157 points. On February 12, the LIC held a public meeting to review the scores on applications that had been submitted by community-based organizations for CDBG funding under public services and capital improvement projects. At this meeting, public comment was taken into consideration; applicants also had an opportunity to answer questions and provide additional information to LIC members. It should be noted that the LIC did not score City-sponsored projects. Exhibit A contains the LIC's application scores and recommended allocations.

Application review centered on the rating criteria that focuses on the following areas:

- *Serving Priority Populations.* Programs and projects were evaluated on whether they serve targeted priority populations, as identified in the Consolidated Plan.
- *Activity Need and Justification.* Activities were evaluated on their ability to address a significant community need and their benefit to very low-income persons.
- *Readiness to Proceed.* Programs and projects were evaluated based on their feasibility of implementation, overall and within the allotted time frame.
- *Cost Reasonableness and Effectiveness.* Budgets were reviewed to determine completeness and reasonableness of all costs related to the request for CDBG funding. Organizations applying for service funding were also evaluated on their ability to become or remain self-sustaining.
- *Activity Management and Implementation.* Applicants were evaluated on past experience, administrative capacity, and financial management.
- *Past Performance.* Applicants that previously received CDBG funds from the City were evaluated on their reporting and timely expenditure of funds.

CDBG Project and Funding Recommendations

In April 2019, the City received notice from HUD that it would receive \$624,641 in CDBG grant funds for the 2019-20 program year.

After receiving the City's allocation amount, staff applied the contingency language from the draft plan documents to calculate the final project amounts. Because this final allocation is slightly less than the estimated amount, most project allocations will show a decrease from the proposed draft allocations. For social service projects, the budgets for all proposed activities were proportionately decreased

based on the percentage they were originally recommended to receive from the estimated allocation. For capital improvement projects, the remaining difference was taken out of the HEAP Tiny Homes project's funds. Funding for the HEAP project changed from \$16,500 to \$13,017.

Additionally, HUD places a yearly 15 percent cap on funds spent on public services and 20 percent cap for program administration. Therefore, the 2019-20 program year service cap is \$93,696, and \$124,928 for planning and fair housing activities. The proposed projects and allocations are as follows:

Program Administration \$124,928

- City Program Administration \$102,097
- Fair Housing \$22,831
 - California Rural Legal Assistance \$7,091
 - San Joaquin Fair Housing \$15,740

City Capital Projects \$286,017

- Blakely Park Restroom \$273,000
- HEAP Tiny House project \$13,017

City Service Programs \$29,706

- Graffiti Abatement \$29,706

CBO Capital Projects \$120,000

- Salvation Army: HVAC/Refrigerator Repairs \$120,000

CBO Service Programs \$63,990

- LOEL Foundation - Meals on Wheels Program \$7,433
- Second Harvest Food Bank - Food Assistance Program \$8,923
- Salvation Army: Hope Harbor Shelter - Facility Administration \$11,902
- CA Human Development - Immigration Expansion Program \$7,967
- Community Partnership for Families - Family Resource Center and Youth Program \$27,765

Additionally, the City Council has a policy of allocating 40 percent of the annual CDBG award (net of administrative costs) to community-based organizations (CBOs), with the remainder allocated to City projects. Based upon the estimated allocation, the distribution of funds will be as follows:

City projects	\$315,723 (60%)
CBO projects	\$206,821 (40%)

Public Review

The draft 2019-23 Consolidated Plan and 2019-20 Annual Action Plan were made available for public review and comment for 30 days, from March 19, 2019, to April 17, 2019. A public hearing was also held on April 17, 2019, to review Consolidated Plan and Annual Plan draft documents, and to receive public comment on these matters. Public comment will also be accepted at the meeting on May 1, 2019, and taken into consideration by the City Council for approval of the final Consolidated Plan and Annual Action Plan documents.

Consolidated Plan submittals to HUD are due 60 days after allocations are announced. The program year will begin July 1, 2019.

FISCAL IMPACT: CDBG funds are federal funds. Capital improvements allow for maintenance costs to be reduced. Administration costs are paid via a 20 percent set-aside of the grant funds.

FUNDING AVAILABLE: \$624,641 – 2019-20 Community Development Block Grant Allocation.

Andrew Keys
Deputy City Manager/Internal Services Director

Stephen Schwabauer
Community Development Director

Attachments

Exhibit A: Summary/Ranking of Applications Received

Exhibit A: Summary/Ranking of Applications Received

	<u>CDBG PUBLIC SERVICES APPLICANTS</u>	<u>Final Scores (Out of 157)</u>	<u>Amount Requested</u>	<u>LIC Recommended Amount</u>
1	Second Harvest Food Bank	140	\$10,000	\$9,000
2	Salvation Army: Hope Harbor Shelter/Lodi Corps	135	\$30,000	\$12,000
3	LOEL Foundation	130	\$10,000	\$7,500
4	Community Partnerships for Families	128	\$50,000	\$28,000
5	CA Human Development	124*	\$26,527	\$8,000
6	Emergency Food Bank	127	\$10,000	\$0
7	One-Eighty Youth Programs	118	\$19,425	\$0
8	(Fair Housing – Plan/Admin) CRLA	119	\$7,091	\$7,091
9	(Fair Housing – Plan/Admin) San Joaquin Fair Housing	126	\$15,750	\$15,750
10	(Capital Improvements) Salvation Army: HVAC and Refrigeration Facility Repairs	126	\$112,510	\$112,510

*The LIC decided to increase the original score after further discussing the project with the applicant; however, instead of increasing the score specifically, they decided to move the applicant ranking from sixth to fifth place.

RESOLUTION NO. 2019-_____

A RESOLUTION OF THE LODI CITY COUNCIL APPROVING THE FINAL
2019-2023 CONSOLIDATED PLAN AND FINAL 2019-2020 ANNUAL
ACTION PLAN FOR THE COMMUNITY DEVELOPMENT BLOCK GRANT
(CDBG) PROGRAM

=====

WHEREAS, the Department of Housing and Urban Development (HUD) has determined that the City of Lodi, California, is a Community Development Block Grant (CDBG) entitlement community; and

WHEREAS, the City of Lodi, California, has created a Consolidated Plan which is required by the U.S. Department of Housing and Urban Development (HUD) in order for local jurisdictions to receive federal housing and community development funds under the Community Development Block Grant (CDBG) Program; and

WHEREAS, the final Consolidated Plan provides a five-year outline of the actions to be undertaken in the next five years, in regard to the priorities and goals of the CDBG program in relation to public improvement, infrastructure improvements, economic development, social services, housing, homelessness, special needs, and other community development type actions identified by the City and the community; and

WHEREAS, federal appropriations for entitlement programs, including the CDBG Program, have been approved through Congress for Fiscal Year 2019-20, and, therefore, the City has received its annual award allocation and is proceeding with an allocation amount of \$624,641; and

WHEREAS, the notice of funding availability for CDBG funds was properly advertised and noticed in the paper, City Hall, and on the City's website, along with notice of an application workshop and community needs workshop, which were held on January 2, 2019, at a regularly-scheduled Lodi Improvement Committee meeting; and

WHEREAS, the draft 2019-2023 Consolidated Plan and 2019-2020 Annual Action Plan was noticed and made available to the public for review and comment beginning March 19, 2019, and was available for a minimum of 30 days; and

WHEREAS, the City of Lodi held a public hearing on May 1, 2019 to approve of the final Consolidated Plan documents, to receive comments from the public regarding the primary goals and priority needs identified in the Consolidated Plan, projected use of CDBG funds, to provide the public with adequate information concerning the amount of funds available for community development activities, the range of eligible activities, and other important requirements, and for the City Council to approve the final plans; and

WHEREAS, the City of Lodi, California, has received public input regarding the proposed use of CDBG funds; and

WHEREAS, the City Council held a public hearing on April 17, 2019 where it reviewed and approved a draft Consolidated Plan and draft 2019-2020 Annual Action Plan; and

WHEREAS, staff therefore recommends the following allocations:

Program Administration \$124,928

- City Program Administration \$102,097
 - Fair Housing \$22,831
 - California Rural Legal Assistance \$7,091
 - San Joaquin Fair Housing \$15,740

City Capital Projects \$286,017

- Blakely Park Restroom \$273,000
- HEAP Tiny House project \$13,017

City Service Programs \$29,706

- Graffiti Abatement \$29,706

CBO Capital Projects \$120,000

- Salvation Army: HVAC/Refrigerator Repairs \$120,000

CBO Service Programs \$63,990

- LOEL Foundation - Meals on Wheels Program \$7,433
- Second Harvest Food Bank - Food Assistance Program \$8,923
- Salvation Army: Hope Harbor Shelter - Facility Administration \$11,902
- CA Human Development - Immigration Expansion Program \$7,967
- Community Partnership for Families - Family Resource Center and Youth Program \$27,765

NOW, THEREFORE, BE IT RESOLVED that the City Council of the City of Lodi does hereby approve the final 2019-2023 Consolidated Plan and final 2019-2020 Annual Action Plan which includes the recommended federal allocations of CDBG funds for Fiscal Year 2019-2020 to the projects recommended by staff in the amount of \$624,641, as indicated above.

Dated: May 1, 2019

=====

I hereby certify that Resolution No. 2019-_____ was passed and adopted by the City Council of the City of Lodi in a regular meeting held May 1, 2019, by the following vote:

- AYES: COUNCIL MEMBERS –
- NOES: COUNCIL MEMBERS –
- ABSENT: COUNCIL MEMBERS –
- ABSTAIN: COUNCIL MEMBERS –

JENNIFER M. FERRAILOLO
City Clerk

2019-_____

CITY OF LODI

LEGAL ADVERTISEMENT

ADVERTISING INSTRUCTIONS

**SUBJECT: COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG)
NOTICE OF PUBLIC HEARING FOR APPROVAL OF THE DRAFT 2019-2023 CONSOLIDATED
PLAN AND DRAFT 2019-2020 ANNUAL ACTION PLAN**

PUBLISH (DATES): April 13, 2019

ACCT#: 20104930

**TEAR SHEETS WANTED: 1 EXTRA (ONLY) DELIVER TO: Community
Development Dept.**

**AFFIDAVIT & BILL TO: Community Development - CDBG
City of Lodi
221 W. Pine Street
Lodi, CA 95241**

DATE: April 11, 2019 ORDERED BY: Patrice Clemons

TITLE: CDBG Program Specialist

LEGAL NOTICE

COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG) NOTICE OF PUBLIC HEARING FOR APPROVAL OF THE FINAL 2019-23 CONSOLIDATED PLAN AND FINAL 2019-20 ANNUAL ACTION PLAN

NOTICE IS HEREBY GIVEN that a public hearing will be held on Wednesday, May 1, 2019, at 7:00 p.m. or as soon thereafter as the matter may be heard, in the Lodi City Council Chambers, 305 West Pine Street, Lodi, CA 95241 to consider the approval of the Community Development Block Grant (CDBG) Program final 2019-23 Consolidated Plan and final 2019-20 Annual Action Plan, as well as to allow for public comment on these matters.

As a recipient of CDBG funding, the City has developed a five-year Consolidated Plan that outlines the City's priority needs and the subsequent goals to be developed for low-income residents and special needs populations. The five-year Consolidated Plan is designed to help the City assess the priority needs within the community regarding housing and community development-related projects.

The Consolidated Plan also contains the 2019-20 Annual Action Plan, which generally describes how the City will utilize program funds for eligible activities during the 2019-2020 program year. The Annual Action Plan can be amended as needed to reallocate funds to housing and community development activities.

The U.S. Department of Housing and Urban Development (HUD) provides the City an annual CDBG grant award. At the time of this publication, HUD has not announced the City's allocation amount for the 2019-20 CDBG program year. The City is estimating that Lodi will receive approximately \$630,000 in CDBG funds for the 2019-20 program year. The CDBG program provides funding for activities that benefit low-income persons, eliminate slum or blight, or serve an urgent need. Eligible activities include property acquisition, public improvements, housing rehabilitation, economic development, and public services.

Plan documents were made available to the public for a 30-day review period before adoption by the City Council. The documents were released on March 19, 2019, for public review and comment and were available at City Hall and the City's Community Development website: <https://www.lodi.gov/183/Community-Development-Block-Grant-Progra>. A public hearing was held on Wednesday, April 17, 2019 for review and approval of the draft Consolidated Plan and Annual Action Plan, and on May 1, 2019 another public hearing will be held to adopt the final Consolidated Plan and Annual Action Plan.

The purpose of the public hearing on May 1, 2019 will be to give citizens an opportunity to make their comments known regarding community needs, goals, and potential activities to be funded under the CDBG Program. If you have any questions or comments, you may contact the CDBG Program Specialist at City of Lodi, PO Box 3006, Lodi, CA 95241, or you may telephone Patrice Clemons at (209) 333-6800 x3404.

Notice of Non-Discrimination on the Basis of Disability and Reasonable Accommodation

The City promotes fair housing and makes all its programs available to low- and moderate-income families regardless of age, race, color, religion, sex, national origin, sexual preference, marital status or handicap.

The City of Lodi does not discriminate in admission or access to, or treatment or employment in, its federally assisted programs and activities on the basis of disability. Reasonable accommodations will be made available to the disabled, upon request. Translators/Translation services are also available upon request. Any questions, concerns or requests related to these Notices should be directed to the following person: Patrice Clemons, (209) 333-6800 x3404.

Persons with hearing impairment, please use the California Relay Service (CRS) 7-1-1.



DECLARATION OF POSTING

NOTICE OF PUBLIC HEARING FOR APPROVAL OF FINAL 2019-2023 CONSOLIDATED PLAN AND 2019-2020 ANNUAL ACTION PLAN FOR COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG) PROGRAM

On Thursday, April 18, 2019, in the City of Lodi, San Joaquin County, California, a Notice of Public Hearing for approval of Final 2019-2023 Consolidated Plan and 2019-2020 Annual Action Plan for Community Development Block Grant (CDBG) Program (attached and marked as Exhibit A) was posted at the following locations:

Lodi City Clerk's Office
Lodi City Hall Lobby
Lodi Carnegie Forum
WorkNet Office

I declare under penalty of perjury that the foregoing is true and correct.

Executed on April 22, 2019, at Lodi, California.

ORDERED BY:

**JENNIFER M. FERRAILOLO
CITY CLERK**

A handwritten signature in blue ink that reads "Pamela M. Farris".

PAMELA M. FARRIS
DEPUTY CITY CLERK

SYLVIA DOMINGUEZ
ADMINISTRATIVE CLERK

LEGAL NOTICE



COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG)
NOTICE OF PUBLIC HEARING FOR APPROVAL OF THE FINAL 2019-23 CONSOLIDATED PLAN
AND FINAL 2019-20 ANNUAL ACTION PLAN

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As a recipient of CDBG funding, the City has developed a five-year Consolidated Plan that outlines the City's priority needs and the subsequent goals to be developed for low-income residents and special needs populations. The five-year Consolidated Plan is designed to help the City assess the priority needs within the community regarding housing and community development-related projects.

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The purpose of the public hearing on May 1, 2019 will be to give citizens an opportunity to make their comments known regarding community needs, goals, and potential activities to be funded under the CDBG Program. If you have any questions or comments, you may contact the CDBG Program Specialist at City of Lodi, PO Box 3006, Lodi, CA 95241, or you may telephone Patrice Clemons at (209) 333-6800 x3404.

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Persons with hearing impairment, please use the California Relay Service (CRS) 7-1-1.

NOTIFICACIÓN LEGAL

SUBVENCIÓN EN BLOQUE PARA EL DESARROLLO COMUNITARIO (CDBG) AVISO SOBRE UNA AUDIENCIA PÚBLICA PARA LA APROVACIÓN DEL PROYECTO DEL PLAN CONSOLIDADO PARA LOS AÑOS 2019-2023 Y PARA EL BORRADOR DEL PLAN DE ACCIÓN ANUAL PARA EL AÑO 2019-2020

POR EL PRESENTE SE NOTIFICA QUE, una audiencia pública se celebrará el Miércoles 1ro. de Mayo a las 7:00 p.m. o tan pronto se le pueda dar audiencia al tema, en la Cámara del Consejo Municipal de la Ciudad de Lodi, 305 West Pine Street, Lodi, Calif. 95241 para que se considere la aprobación del proyecto del Plan Consolidado para los años 2019-2013 y el Plan de Acción Anual para el Año 2019-2020 pertinente al Programa de Subvención en Bloque para el Desarrollo Comunitario (CDBG), y también para permitirle a los ciudadanos la oportunidad de hacer comentarios sobre estos asuntos.

Como beneficiario de fondos de Subvención en Bloque para el Desarrollo Comunitario (CDBG), la Ciudad ha desarrollado un Plan Consolidado quinquenal (de cinco años). El cual detalla las necesidades de prioridad y las metas posteriores que deberán ser formuladas para la población de bajos ingresos y de necesidades especiales. El Plan de Consolidación quinquenal está diseñado para asistirle al Municipio con la evaluación de cuáles son las necesidades de prioridad dentro de la comunidad, pertinente a viviendas asequibles y proyectos relacionados con el desarrollo comunitario.

El Plan de Consolidación también contiene el Plan de Acción Anual para el año 2019-20, el cual generalmente describe como la Ciudad deberá utilizar los fondos del programa para actividades elegibles durante el año fiscal 2019-20. El Plan de Acción Anual puede ser modificado según sea necesario para redistribuir fondos para las actividades del desarrollo comunitario y para las viviendas.

El Departamento de Vivienda y Desarrollo Urbano de los Estados Unidos (HUD) le proporciona a la Ciudad un subsidio anual para el Programa de Subvención en Bloque para el Desarrollo Comunitario (CDBG). En el momento de esta publicación, HUD aún no le ha comunicado al Municipio la cantidad asignada para el Programa de Subvención en Bloque para el Desarrollo Comunitario para el año 2019-20. El Programa de Subvención en Bloque para el Desarrollo Comunitario proporciona fondos para las actividades que benefician a personas de bajos ingresos, elimina suburbios pobres deterioro urbano o asiste en una necesidad urgente. Las actividades elegibles incluyen, adquisiciones de propiedades, mejoras públicas, rehabilitación de viviendas, desarrollo económico y servicios públicos.

Los documentos del Plan se le hicieron disponibles al público durante un periodo de 30 días, para que pudieran ser analizados antes de que sea aprobado por el Consejo Municipal. Los documentos se dieron a conocer el 19 de Marzo de 2019, para que el público los revisara y pudiera hacer comentarios, y también se hicieron disponibles en el City Hall y en el sitio web de Desarrollo Comunitario de la Ciudad: <https://www.lodi.gov/183/Community-Development-Block-Grant-Progra>. Una audiencia pública se llevó a cabo el miércoles 17 de abril de 2019 para analizar y aprobar el borrador del Plan Consolidado y el Plan de Acción Anual y, el 1ro. De Mayo de 2019 otra audiencia pública se llevará a cabo para adoptar el Plan Consolidado y el Plan de Acción Anual.

El propósito de la audiencia pública que se efectuaran el 1ro. de Mayo, 2019 será para proporcionarle a los ciudadanos la oportunidad de que den a conocer sus comentarios referente a las necesidades comunitarias, metas y actividades posibles que deberán ser financiadas por el Programa de Subvención en Bloque para el Desarrollo Comunitario. Si tiene alguna pregunta o comentario, puede contactar a la especialista del Programa CDBG, City of Lodi, P.O Box 3006, Lodi, CA 95241 o puede llamar por teléfono a la Srta. Patrice Clemons al (209) 333-6800 extensión 3404.

Aviso de No-Discriminación por Motivos de Discapacidad y Acomodación Razonable

La Ciudad promueve la equidad de vivienda y pone todos sus programas disponibles a las familias de ingresos bajos y moderados, sin importar la edad, raza o etnia, color, religión, sexo, origen nacional, preferencia sexual, estado civil o incapacidad.

La Ciudad de Lodi no discrimina en la admisión o acceso a, o tratamiento o empleo en, sus programas y actividades subvencionadas federalmente por razones de incapacidad. Bajo solicitud, se les proporcionará acomodaciones razonables a las personas discapacitadas. De ser solicitado también los servicios de Traducción e interpretación se le harán disponibles. Cualquier pregunta, inquietud o solicitud pertinente a estos avisos deben ser dirigidas a la siguiente persona: Patrice Clemons, (209) 333-6800 x3404.

Las personas con Hipoacusia (deterioro de la audición), por favor utilicen los Servicios de Relevo de California (California Relay Service) 7-1-1.



CITY OF LODI COUNCIL COMMUNICATION

AGENDA TITLE: Receive and File the Agreed-Upon Procedures Applying to Internal Controls Over the City's Procurement (For the Period July 1, 2017 through September 30, 2018) by The Pun Group

MEETING DATE: May 1, 2019

PREPARED BY: Accounting Manager

RECOMMENDED ACTION: Receive and file the following reports and agreed-upon procedures applying to internal controls over procurement submitted by The Pun Group, LLP and the Internal Services Department for period July 1, 2017 through September 30, 2018.

BACKGROUND INFORMATION: During the initial site visit and review of the City, in August, the Accounting Manager, (new at this time), and the auditors were becoming familiar with City processes. Both parties noticed possible inconsistencies in contracting, specifically in purchase and change order processes and procedures, with City policy and ordinances requiring substantial review.

Staff recommended from a time and fiscal resources standpoint to amend the contract with the Pun Group, LLP and enter into an agreed-upon procedure review on internal controls over procurement. The Pun Group, LLP, performed procedures over the procurement process. In total nine procedures were tested for compliance with the City's current policies. Of the nine procedures performed, eight had findings that require corrective action by staff. Staff is currently in the process of reviewing the findings and developing a corrective action plan.

The Pun Group, LLP issued a report on its procedures and findings. Vanessa Burke, Partner of the Pun Group, LLP will be present to discuss the report and answer questions during the Council meeting.

FISCAL IMPACT: By law and good management practice, the City's internal controls over procurement were conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants.

FUNDING AVAILABLE: Not applicable.

Melissa Munoz, Accounting Manager

Andrew Keys, Deputy City Manager

APPROVED: _____
Stephen Schwabauer, City Manager

City of Lodi

Lodi, California

**Independent Accountants' Report on
Agreed-Upon Procedures Applying to
Internal Controls Over the City's Procurement**

For the Period July 1, 2017 through September 30, 2018





**INDEPENDENT ACCOUNTANTS' REPORT ON
APPLYING AGREED-UPON PROCEDURES**

To the Honorable Mayor and the Members of City Council
of the City of Lodi
Lodi, California

We have performed the procedures enumerated below, which were agreed to by the City of Lodi ("City") and the Pun Group, LLP ("Firm"), on internal controls over the City's procurement and as further described in Resolution # 85-173 "Resolution Adopting a Formal Policy and Procedure to Govern Contract Change Orders," for the period from July 1, 2017 to September 30, 2018. The City's management is responsible for the internal controls over the City's procurement and as further described in Resolution # 85-173 "Resolution Adopting a Formal Policy and Procedure to Govern Contract Change Orders." The sufficiency of these procedures is solely the responsibility of the City. Consequently, we make no representation regarding the sufficiency of the procedures described either for the purpose for which this report has been requested or for any other purpose.

The procedures and associated findings are as follows:

Procedure No. 1:	Obtained and read a copy of City purchasing policies and procedures established by City Council and City Manager.
Finding(s):	The City's purchasing policy was adopted by City Council in 2011 and the City's change order policy was adopted by resolution in 1985. Procurement is a complex function that is guided by numerous policies and statutes. Accordingly these policies are critical to ensuring that procurement, agency staff, and all stakeholders follow the proper procedures and rules and have a clear and consistent understanding of the required regulations. The absence of a current updated set of policies and guidance can create a lack of consistency in how procurement work is carried out and can expose the organization to increased risks and frustrations with outside vendors and those within the organization. The City's governing policy documents are more than 8 years old and the change order policy is more than 30 years old. These policies should be evaluated within the current operating environment and within the states guidelines and updated.
	Lodi Municipal Code (LMC) section 3.20.020 established the position of purchasing officer and the "purchasing officer shall be appointed by the city manager and shall be the head and have general oversight of the purchasing functions of the city. The duties of the purchasing officer may be combined with those of any other office or position." We were unable to verify the formal appointment of a purchasing officer within the City and recommend that if that function is delegated that formal appointment be made in writing and communicated.
Procedure No. 2:	Obtained and read a copy of City's purchasing manual and conflict of interest policy.
Finding(s):	The City has not updated its purchasing policies and procedures to bring it into compliance with the requirements of the Code of Federal Regulations, Title 2, <i>Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards</i> (2 CFR Part 200) commonly referred to as the "Uniform Guidance" which require all non-federal entities to "document whether it is in compliance with the old or new standard, and must meet the documented standard". The City has also not formally documented whether it has decided to extend its applicable date of compliance with 2 CFR part 200 to be effective beginning July 1, 2018. As a result, the City is not in compliance with the procurement policy provisions of 2 CFR part 200 and the Uniform Guidance. Not updating the City's procurement policy could lead to future findings and questioned costs related to federal awards.

Procedure(s) No. 3:	Examined the City's process and procedure over procurement to payment for segregation of duties in the following areas:
	• Initiate purchase orders
	• Approve purchase orders
	• Maintain the purchase journal
	• Initiate payments
	• Input purchase orders
Finding(s):	There is a lack of segregation of duties between the ability to authorize and enter new vendors into the system and processing of accounts payable. The City's Finance Technician has access to the vendor master file and can also update and process accounts payable. As a result, there is an increased exposure to fraud risk without other compensating or mitigating controls and the Finance Technicians access and user roles should be limited.
Procedure No. 4:	Selected a random sample of purchase orders throughout the period of July 1, 2017 to September 30, 2018 and compare it against the invoice and payment made, and contract.
Finding(s):	None.
Procedure No. 5:	Selected a random sample of purchase orders throughout the period of July 1, 2017 to September 30, 2018 and review for compliance with the laws and regulations, funding sources and competitive bidding requirements.
Finding(s):	Within fifty-five (55) purchase orders tested with a value of approximately \$15.3 million, two (2) out of fifty-five (55) purchase orders with a total of \$12,124 were missing documentation for department sole sourcing of a purchase under \$10,000.
Procedure No. 6:	Selected a random sample of change orders > 10% of the original contract amount or \$5,000 initiated during the period of July 1, 2017 to September 30, 2018. Trace to the minutes of the meeting approving the change order if in excess of \$25,000.
Finding(s):	Four (4) change orders with a total value of approximately \$647,000 out of a sample of twenty-one (21) change orders with a total value of approximately \$2.3 million were missing City Council approval.
Procedure No. 7:	For the change orders selected, review for proper reporting to the City Council in accordance with City policy.
Finding(s):	The change order policy authorizes the City manager to approve change orders in excess of 10% of the formal contract or in excess of \$25,000 to avoid extraordinary delay of work or to protect the safety of human life and the environment at or near the work site. The policy states "The City Manager shall report the change orders and the amounts to the City Council at the next regular meeting". Four (4) out of the twenty-one (21) change orders over \$25,000 tested and identified in the finding for Procedure No. 6 were also not reported to City Council at the next regularly scheduled meeting.

Procedure No. 8:	For the change orders selected, reviewed and compared the scope of work in the change order to the original scope of work and that contract is within contractual limits.
Finding(s):	Within twenty-one (21) changes orders tested with a value of approximately \$2.3 million, seven (7) out of the twenty-one (21) changes orders with a value of approximately \$773,000 were outside the original scope of work when compared to the original scope of work described in the initial contract. Six (6) of the seven (7) changes orders with a total of \$723,000 were made for unknown existing conditions to underground utilities or City requested items and were entered into with one vendor on one project between December 2016 and March 2018. One (1) change order in the amount of \$50,000 out of the twenty-one (21) tested was entered into after the initial contract maximum amount was exceeded but the additional work was required by the City.
Procedure No. 9:	Review a sample of department monthly budgets at June 30, 2018 for services and supply lines. Identify any line items that are greater than budget and inquire with management as to the nature of the expenditure overruns.
Finding(s):	Per the City's budget policy the legal level of budgetary control is at the department level. We identified sixteen (16) services budget line expenditures were \$5,000 or greater than the revised budgeted amounts for all funds. Thirty-one (31) supply budget line expenditures were \$5,000 or greater than the revised budgeted amounts for all funds. Although we identified expenditures in excess of budget line items, the departments were still within or at their approved budget appropriations.

This agreed-upon procedures engagement was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. We were not engaged to and did not conduct an examination or review, the objective of which would be the expression of an opinion or conclusion, respectively, on internal controls over the City's procurement and as further described in Resolution # 85-173 "Resolution Adopting a Formal Policy and Procedure to Govern Contract Change Orders." Accordingly, we do not express such an opinion or conclusion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

This report is intended solely for the information and use of the City and is not intended to be and should not be used by anyone other than those specified parties.

The Pen Group, LLP

Walnut Creek, California
April 22, 2019



CITY OF LODI COUNCIL COMMUNICATION

TM

AGENDA TITLE: Adopt Resolution Approving Incentive Pay for Licensed Land Surveyor and Designation of City Land Surveyor

MEETING DATE: May 1, 2019

SUBMITTED BY: Human Resources Manager

RECOMMENDED ACTION: Adopt resolution approving incentive pay for licensed Land Surveyor and designation of City Land Surveyor.

BACKGROUND INFORMATION: Pursuant to California Code, the City is required to designate a licensed Land Surveyor to perform these duties on behalf of the City. Because of the skill and complexity involved with land surveying, laws and regulations dictate that this practice can only be done by licensed surveyors. Professional licensure protects the public by enforcing standards that ensure the work is done by qualified individuals with specific credentials in education, work experience, and exams. Over the last several years the City has not had an in-house licensed surveyor and has utilized the services of a retired annuitant to serve in the capacity as the City's Land Surveyor.

Recently, a City of Lodi employee obtained her Land Surveyor license and the City desires to bring that function back in-house and designate a full-time city employee to serve as Land Surveyor. Having a Land Surveyor in-house will provide better customer service and a faster turnaround on maps and comprehensive design documents.

Each applicant for authority to use the title "Professional Land Surveyor" must:

- Pass the Land Surveyor-in-Training (LSIT) examination
- Provide evidence showing six years of equivalent full-time experience in land surveying, including other credits, with one year each being responsible field and responsible office training
- Pass the national examination on the principles and practices of land surveying
- Pass the state-specific examination on land surveying
- Pass the Take Home examination on the California Laws and Board Rules

On January 1, 2015, Section 8725.1 was added to the Professional Land Surveyors' Act (California Business and Professions Code) requiring that all licensure requirements imposed upon private sector professional land surveyors be imposed upon individuals performing land surveying for a government agency. Having a full-time employee who holds the title of Professional Land Surveyor will enhance and expedite the engineering functions within the City.

The City wishes to provide incentive pay of seven percent (7%) for the designation of City Land Surveyor that is commensurate with the additional knowledge, skills and responsibilities that come with possession of the licensure and for serving in the capacity of the City's Land Surveyor.

APPROVED: _____
Stephen Schwabauer, City Manager

It is staff's recommendation that a new incentive for Licensed Land Surveyor of seven percent (7%) be approved. City staff met with representatives from LCMMA and they are in concurrence with the proposed incentive.

Staff recommends Council approve the new incentive to be paid on a prospective basis.

FISCAL IMPACT: The fiscal impact in FY 2018/19 would be approximately \$1,200. There is minimal on-going impact to the General Fund.

FUNDING AVAILABLE: Increased expenses will be absorbed within existing appropriations.

Adele Post, Human Resources Manager

Andrew Keys, Deputy City Manager/Internal Services Director

RESOLUTION NO. 2019-__

A RESOLUTION OF THE LODI CITY COUNCIL
APPROVING INCENTIVE PAY FOR
LICENSED LAND SURVEYOR

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WHEREAS, California law (Business and Professions Code, section 5000-9998.11), requires that at least one person authorized to practice land surveying shall be designated the person in responsible charge of professional land surveying work practiced in any department or agency of the state, city, county, city and county, district, or special district; and

WHEREAS, the City of Lodi has been utilizing the services of a retired annuitant to serve in the capacity of the City's Land Surveyor; and

WHEREAS, recently, City staff passed the examination for Land Surveyor and possesses the required licensure, knowledge, skills and abilities to be designated at the City's Land Surveyor; and

WHEREAS, the Board for Professional Engineers, Land Surveyors, and Geologists requires governmental agencies to identify professional engineers and land surveyors that are in responsible charge of performing the respective engineering and land surveying duties for their agency; and

WHEREAS, the City Engineer will designate Jimi Billigmeier, Associate Civil Engineer, as the City of Lodi Land Surveyor, effective May 2, 2019; and

WHEREAS, the City desires to provide compensation for possession of Land Surveyor licensure; and

WHEREAS, representatives from the City and Lodi City Mid-Management Association have met and conferred and tentatively agreed that the City will provide compensation for the designated City Land Surveyor, as designated by the City Engineer.

NOW, THEREFORE, BE IT RESOLVED that the Lodi City Council does hereby approve incentive pay in the amount of seven percent (7%) for the qualified employee designated as the City Land Surveyor.

Date: May 1, 2019

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I hereby certify that Resolution No. 2019-__ was passed and adopted by the Lodi City Council in a regular meeting held May 1, 2019, by the following vote:

- AYES: COUNCIL MEMBERS –
- NOES: COUNCIL MEMBERS –
- ABSENT: COUNCIL MEMBERS –
- ABSTAIN: COUNCIL MEMBERS –

JENNIFER M. FERRAILOLO
City Clerk